FOREIGN AFFAIRS

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MARCH 15, 1924

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The Editors.

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FOREIGN AFFAIRS

Vol. II MARCH 15, 1924 No. 3

ENGLAND AFTER THE ELECTION

By W. G. S. Adams

IN ANY great political society with strong traditions and understandings there are lines of natural social progress. Temporary appearances may seem to contradict what experience and study may suggest. Yet there is a logic underlying the development of human society, and the study of what has been and of what is reveals in some measure what is to be. Even great convulsions in society, marking a new ferment of thought which leavens the whole body politic and, it may be, overthrowing a long established order, settle down into a development in which we can trace a continuity through change. England has been notably free from violent convulsions, and a characteristic steadiness has marked its long political evolution. But with this stability there has been a power of readjustment to new conditions and of further development. The English constitution has been peculiarly flexible, and with age it does not become less but rather more so. There is in it, somehow, a wonderful power of shock absorption.

The recent elections in England are a landmark—and it may well be a considerable landmark. It is true that there have been many evidences that the nation was approaching a new stage in its political history. The removal—we can hardly say the settlement—of the Irish problem and the disappearance of the Irish party from Westminster almost synchronized with the rise into a powerful and challenging position of the Labor party. The Irish party and the Irish problem have been very much present with Parliament and with the electorate for two generations, and the change in Parliament and in the political atmosphere following their passing from Westminster is a great one. But a new complex of problems,—constitutional, political and economic,—is the result of the rapid rise of Labor since 1918.

The position thus created affects deeply the traditional party

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system. For many years there have been more than two parties in the British Parliament. But it has remained substantially true to speak of the English system as a two-party system. The Irish and later the Labor party were makeweights—often very effective makeweights—in the play between the two great parties. And this condition of affairs existed until the elections of 1922, when Labor more than doubled its representation and became the second largest party in the House of Commons. The elections of 1923 mark still more clearly the change by leaving no one of the three parties in the position of having a majority, and bring into the sphere of practical politics the program of a third party. That being so, it is right to regard the position now created as representing a new constitutional problem.

In viewing this question, however, it is well to remember that the traditions and the arrangements of the constitution all tend to bring parties back into two great divisions. The Cabinet system itself, with the contrast between the Government and the Opposition, tends to divide Parliament into two great groups. But this in itself will not be sufficient unless there are substantial elements of agreement between the groups which form the opposition.

You may have a Coalition of parties to form a Government, or if not a Coalition an understanding or coöperation between two groups, one of which acts as the Government but is supported by the other party, like the understanding which obtained during part of the war period. But conditions of war differ widely from those in peace and an arrangement by which one party will continue to carry on by the leave of another is not likely to remain a permanent state of affairs. It is not an arrangement which appeals to English habit or temperament. Its permanence, however, depends upon whether there are three distinct policies which call for the continued existence of three independent parties.

It is clear that in the case of Labor there is a party with a very definite body of ideas and a program representing a view of the sphere and methods of state action widely different from that which is held by either Liberals or Conservatives. The real question is whether the division between Conservatives and Liberals is to remain fundamental. So long as the question of Ireland stood in the foreground there was a great dividing issue between them. A second issue which distinguished the parties

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was the question of a protective tariff,—though not in the same sharp way, for there have always been Conservative supporters of the policy of free trade. But until its revival in 1923 free trade or protection had ceased to be an active issue between the two parties. Other questions such as the House of Lords, licensing, education, and even land policy have not offered as clear principles of division in recent years as earlier. The Parliament Act secured to the House of Commons both the appearance as well as the substance of power, and the House of Lords question has largely ceased to be a party matter between Liberals and Conservatives. The Bryce Conference of 1918 indicated the considerable measure of agreement which there was between the parties as to the lines of reconstruction of the upper chamber; even questions of land and of licensing reform would not divide them as before. Education has ceased to be a political subject of semi-religious controversy. In fact, until the tariff issue was again raised in 1923 the dividing lines between the two parties were gradually becoming less important in principle and more due to the influence of personal, party, and social tradition. In such circumstances it only requires a strong antagonistic force from without to awaken a still stronger sense of common interests between large parts of the Liberal and Conservative forces. Labor may provide this factor. Just as the protection issue raised by Mr. Baldwin united quickly and effectively the two wings of the Liberal party, as nothing else could have done, so the emergence into the sphere of practical politics of the Labor policy may bring about a relationship between the Conservative and Liberal parties which to many has seemed unthinkable.

The position of the two parties is interesting. The Conservatives have a very steady and substantial following alike in town and country, and despite the loss of seats they polled in 1923 as large a vote as in 1922. The party has, on the whole, great solidarity, but this may be affected by the decision which must shortly be reached as to whether protection is to remain an active and principal question of policy,—a decision which also is bound greatly to influence future relations with the Liberal party.

The Liberal party, on the other hand, has not yet recovered the solidarity of either the Conservative or the Labor party, and there already are evidences that to keep it united is going to be

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no easy task. So long as free trade is under serious question the unity of the party will be maintained. But if the Conservative party allows this issue to relapse into the quiescent state in which it lay from 1906 to 1923, then the diverging tendencies within the Liberal party are likely to show themselves. Faced by the issues raised by Labor, some Liberals will be drawn more and more in that direction, while others holding the traditional individualistic ideas of Liberalism will find themselves in closer agreement with the Conservatives. In foreign policy, on the other hand, Liberals today are on the whole nearer to Labor than to the Conservatives.

In this balance of influences account must also be taken of the part which the women voters play. It is difficult yet to say how far the great addition to the electorate made by the Act of 1918 has affected the relative strength of the political parties. It would seem as if the appeal made by the Liberals to the "Chancellor of the Home Exchequer" in some measure accounted for their success in the campaign against protection as a cause of higher prices. The battery thus effectively directed against the Conservative tariff policy will doubtless be turned against socialistic controls on the ground that they too will mean higher costs, and however strongly Labor argues that food and other articles of living will not cost more under a socialistic régime this line of attack evidently is too good not to be pressed by the Liberals with all the advantage of which it is capable.

Before further considering this situation, however, we must examine more closely the rise of the Labor party, by which we mean not simply the growth of its vote in the country and of the number of its representatives in Parliament but also the maturing and reëxpression of its policy. In 1900 the Labor Representation Committee which prepared the way for the present-day Labor party had secured the election of two members to Parliament. In 1906 the number of Labor members rose to 29. In the election of January, 1910, it was increased to 40 and in the election of December, 1910, to 42. In the election of 1918, following the armistice, Labor secured 57 members and polled over 2,244,000 votes, a very great increase over its previous poll even allowing for the wider franchise. In November, 1922, it more than doubled the number of its representatives and polled over 4,236,000 votes, and in December, 1923, it reached 191

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members and polled over 4,347,000. Although Labor's representation in the Commons has grown more rapidly than its voting power in the country, there can be no doubt that before long it will make a bid to secure an actual majority in the Commons.

In this connection it is interesting to mark the degrees of success achieved by Labor in different parts of the country. In the London boroughs Labor followed close on the Conservatives in number of votes polled; in the English boroughs it was also second; in the Scottish boroughs and in both the Welsh boroughs and Welsh counties it was first, and in the Scottish counties it was only slightly below the Unionist party. Only in the English counties did Labor prove the weakest of the three. The growth of Labor's influence in Scotland and Wales—until recent years great Liberal strongholds—is remarkable, and this influence is also extending in the industrial north of England and in London. Provided the constitutional character of Labor's development is maintained, and provided the party shows itself capable of developing a constructive and practicable policy both in foreign and home affairs, the prospects are that before long it may succeed in its aim of securing an independent majority in the House of Commons.

An important fact is that Labor has had practically no press to help it in achieving this success. Its work has been done quietly, by canvassing and educational propaganda. In the great economic organization of Labor there lies ready to hand an instrument of political propaganda and social organization possessed by neither of the old parties, and this advantage has more than compensated Labor for its weakness in the press. But by far the greatest asset of Labor is its vision of a new political, social and economic order. It has brought freshness into the rather stale atmosphere of political controversy and there is a much more widely extended sympathy with its program than would have seemed possible before the war. This has been increased by a growing recognition of the essentially constitutional character of the Labor movement. In recent times the leaders of the party have taken marked pains to insist on this point. The English constitution is their possession and heritage as much as that of any other party; their allegiance to it is as true as that of any other party. They have observed the parliamentary system and have regarded it as the right means for the

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expression of the will of the people. They profess a desire to respect it, to use it and to develop it.

A second characteristic which has strengthened Labor's position is its interest in European and international affairs. The Great War and the rise of the citizen armies which carried it through brought a new sense of realities into foreign policy for the mass of the people. Furthermore, the two questions of foreign affairs and unemployment are seen to be closely connected and never before has it been brought home so clearly to the nation that our domestic economic life is intimately concerned with the peace and prosperity of other countries. Even more powerful in awakening a new interest in foreign affairs is the recognition that peace itself can only be secured by a more permanent settlement of European affairs and by the alleviation of the misery and uncertainty which brood over a large part of the continent. Strong human instincts of sympathy and pity have been awakened, and with them have come a quickening of the instinct of justice and an anger against the irrational and wasteful methods of settling disputes between nations. Not to recognize the working in the minds of the people of a strong moral sense which desires as a matter of justice to see a better life not only at home but for the workers in other states, would be a failure to understand the times. This feeling is the fruit of the spirit of international comradeship which, to its everlasting credit, the Labor movement has awakened,—a spirit which transcends patriotism and the boundaries of nations.

The nation is at school in foreign affairs, and is learning. Despite the difficulties and disillusionments of the situation in Europe, there is a strong determination to persist in coöperation and to try and work out a better order. In this vision and faith the hope for the future lies. The nation has felt the fruitlessness of the years since the peace, and there is a strong desire that further efforts should be made, and on new lines. This desire is behind the movement toward closer relations with Germany and with Russia, for it is felt that however bitter and even contemptuous the attitude towards England of parties in those countries may have been,—and the Labor party in particular has not been spared in contemptuous references from Russian sources,—it is only through patience and persistent good will that a European understanding can be built up. Herein lies the significance of the leadership of Labor. But it is not forgotten

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that the problem is predominantly economic. In thinking of solutions of domestic economic problems, Labor points to the importance of international economic action and to the experience which the world gained through the Allied organization for regulating the supply of food, raw materials and manufactured goods among the different countries, both Allied and neutral, in time of war. The League of Nations is going to be concerned as much with the economic as with the political side of affairs if it is to be the instrument of Labor. Slowly but surely this vision is winning its way in the minds of millions in this country.

It is however in domestic affairs that Labor marks a great departure from either of the old parties. A new school of thought is coming into power and responsibility, a school which may be called that of the socialization of national life. It is not a school of Communism, but one which seeks much more than any other party to organize community action and to control the sources of power within the nation. Responsibility for action is bound to exercise a great influence on the formulation and practical expression of this school of thought. The application of its underlying ideas in different fields of public life is taking shape in various definite proposals, the difficulties and advantages of which can now be considered, deliberately if not altogether dispassionately. Parliament again will become the great debating centre in which discussion will focus. The country will also be schooled in the same problems, and the quickening of thought in the country will react on the work of Parliament.

The proposal in the Labor program on which public attention fastened during the election campaign was the War Debt Redemption Levy—better known as the "capital levy." But to some extent the very prominence given to the capital levy and the threat which it seemed to present to the existing order of things have overshadowed even more significant and distinctive lines of thought sponsored by the Labor party. The capital levy is, after all, rather a special and temporary proposal devised to deal with the financial burden left by the war. It is a method which has already been discussed and to a certain extent experimented with in other states. It is not as novel in principle as some of its exponents and some of its critics would seem to think. The graduated income tax and super-tax are in their own way making an annual capital levy, and the very same charge which

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has been brought against the capital levy applies in its own degree to these severe forms of taxation, namely, that they discourage saving and tend to drive away and dissipate capital. Similarly, death duties are a form of capital levy. The Labor proposal is thus in its nature but a special application of the principles which have been already accepted in income and super-tax on the one hand, and in death duties on the other. We are not here concerned with the merits and demerits of the particular proposal, but aim rather to prevent the focusing of attention too exclusively on an electoral issue. It has been said with much truth that the nation has for the present decided both against protection on the one hand and the capital levy on the other, inasmuch as it has given to neither of the parties putting forward these specific proposals a controlling majority. And therefore for the present the capital levy, just as protection, passes from the immediate field of practical politics.

More distinctive of Labor's position is the way in which it proposes to treat some of the largest problems before the nation today. England's greatest domestic problem is how to reduce unemployment, not merely temporarily but in its chronic recurrence. Whereas the Conservatives aimed at dealing with this problem by protection and the Liberal solution proceeded on the lines of seeking to free industry, as far as possible, from restrictions and to develop methods of industrial insurance and industrial coöperation, the Labor party, while favoring the development of insurance and coöperation, goes much further. It aims to carry out a much more extensive program of central and municipal undertakings in such matters as housing, roads, and the provision and distribution of power, and consequently to use national credit on a very much more extended scale for public works than either of the other parties would be prepared to countenance. The program of public works could be put partly into operation to meet the immediate unemployment situation and could in part be held in reserve to deal with the recurrent periods of unemployment. We have here a clearer presentation than ever before of the idea that the state or community should be responsible for the provision of employment, and that a well organized community will have its plans laid so that at any time public employment can be automatically increased to absorb in useful work the surplus of unemployed labor produced by a period of trade depression. It is thus a policy of seeking to secure

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first and foremost steadiness of employment for all who are able and willing to work, and maintenance and pension allowances for those who are disabled. It recognizes that only a well thought-out program, with community direction behind it, is strong enough to deal with the attendant evils of the existing industrial system. On the other hand, Labor's proposals for greater planning and intenser activity on the part of central and local government in dealing with such problems as housing, road-making, the supply of power, and other public works are simply an extension of a development which both the old parties, Liberal and Conservative, have accepted.

But the Labor party does not content itself with ideas of a more intense development of these now almost traditional policies. It challenges the economic system under which unemployment exists, and it is already outlining alternative policies for dealing with certain aspects of national production. The governing principle is that of nationalization. Now the principle of nationalization is capable of very wide extension; but while Labor states no limits to its application, it recognizes that it must be carried out step by step and that the case must be made for each further step. There are certain main directions in which nationalization has been indicated, as in the coal mines, the railways, the land system, the banking system, and certain essential imports. Each of these proposals will be required to undergo in its turn the most thorough and searching scrutiny before it can receive national endorsement. Each case will have to be considered on its merits. The state should do only what it can do better than private enterprise, and it should not fail to do what it can do better. Nationalization is a very complex economic subject and on the whole the people have an open mind in such matters. The experience of other countries is of only limited value, and it must be through a process of trial and error that the bounds can be set to the advancement of nationalization during any particular period of time. Our own experience during the war is a more valuable guide; what can be done in such an emergency is not, of course, normal, but it will have a great influence on the economic policy of Labor and will affect the judgment of the country. The Coal Commission of 1918 has provided much material for a policy of reconstruction; and the consolidations of railways and of banking mark tendencies toward the elimination of competition from which there

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follows inevitably the need for community control to prevent monopolistic exploitation. However, the problems are rightly felt to be complex, and national experience of government controls in war-time and of state management of such services as the telephone in time of peace are fresh in mind and not altogether favorable. It is by no means clear how far a policy of nationalization is going to commend itself to the public.

The foregoing considerations relating to both foreign and domestic affairs indicate the range and character of the policy of the new third party. In other directions—in agriculture, in control of imports, in banking, in social welfare,—the development of a new policy of control is also gradually unfolding itself.

The Labor party is now entering into office—if not into power. And we must here turn to consider briefly some constitutional aspects of the situation.

No one of the three parties commands a majority in the Commons, and the mood both of Parliament and of the people is not favorable to coalitions. For the present, too, each party is jealous of its independence, and we therefore are likely for some time to see a minority of the House entrusted with the control of the administration and the initiative in policy and legislation. On the other hand, there is a strong sense of the need for carrying on the work of Parliament effectively and not allowing it to become a futile maneuvering ground of parties. Further, there is a desire both among Conservatives and Liberals to see that Labor receives not only fair play but a very good chance of showing its capacity in managing the affairs of the nation. That feeling is no less strong in the country, and any party which tried unduly to embarrass the new Government before it had the opportunity of doing its best under difficult circumstances would be likely to meet with diminished support in the next election. There thus exists a sense of self-interest which accords with the desire to give "a fair chance" to any new government. In addition there is a general recognition of the serious consequences which might follow if parliamentary government were to be rendered ineffective and an excuse given to forces which wish to resort to other than parliamentary and constitutional means of action.

In a country where the executive depends on the support of the House of Commons and where parliamentary instability

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affects the whole sphere of foreign policy and of domestic administration, the responsibility for parliamentary action is deep seated. His Majesty's Opposition is a responsible body as well as His Majesty's Government. On the other hand, it is evident that no policy can be carried through in the present House of Commons by any one party if it arouses strong opposition in the other two parties, which together form the majority of the House. Consequently Labor must defer its more far-reaching proposals, which do not commend themselves to the other parties, until such time as it obtains from the nation a majority in the Commons. This in itself is a safeguard against any violent change and it means that each measure must be argued and decided on its merits and cannot be pushed through by party discipline under the control of the party Whips. At the same time it gives the Labor Government a perfectly clear and common-sense reason why its supporters must be satisfied with moderate progress. It further happens that as the new Government comes into office at a period of the year when the financial estimates and the main lines of the budget for the ensuing year have been prepared, it is not possible, without serious dislocation of the Treasury and in all probability strong opposition in Parliament, to replace the preparations for the coming budget by others framed on very different lines. Nor is there the time for the mature consideration which a new budget requires. It may be possible to modify the lines of the budget in certain directions, but far-reaching changes will have to be deferred to later.

The new situation may be expected to lead to new developments both in constitutional organization and procedure. Already the statements respectively of Mr. Asquith and Mr. MacDonald have directed considerable attention toward the problem of the right of dissolution. In an unprecedented situation we must look for new precedents, for development is guided by something more than precedents, valuable as they are. The spirit of the constitution is larger than its law and will direct with equity and fair play a course framed to meet new circumstances. Whether the right of dissolution should be given to a party which has a permanent minority in the House will necessarily depend upon the particular circumstances of the case. If there evidently is not such agreement between the parties of the opposition as would enable them to carry on effectively the work of His Majesty's Government, or if a question of great public

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importance arises on which it is clear that the opinion of the nation should be given the opportunity of expressing itself, then the right of a direct appeal to the people is not likely to be withheld.

Another constitutional problem which the new situation is certain to make once more of practical importance is the question of the House of Lords. Even if a minority government is able to secure sufficient support for its proposals from the ranks of other parties in the Commons, there remains the necessity of securing their passage through the House of Lords; and a Labor government, to a much greater extent than was ever true of a Liberal government, will find itself without a party of any size in the House of Lords. It is true that under the Parliament Act the will of the Commons can be made to prevail, but procedure under the Parliament Act is slow and involves delays which a Labor party could not endure. The realization that radical changes would rapidly ensue if a policy were followed of rejecting or severely amending measures may well act as a powerful restraining influence on the Lords. But this can only be a temporary accommodation. Hitherto, Labor has favored the idea of a single chamber legislature, but it remains to be seen whether it will not in the first instance turn to a policy of reconstructing the second chamber on a new basis. The Parliament Act left untouched the personnel of the Lords, but it is recognized (and the Bryce report confirmed the view) that a radical change in the composition of the Second Chamber is required if it is to remain an active part of the government. Whether by a system of popular election, or by indirect election as suggested by the Bryce conference, or by other means, a new settlement has to be made, sooner rather than later, of the Second Chamber. Any proposal to abolish the chamber rather than to reform it would meet with strong opposition in the House of Commons and in the country; for there is a deep sense of the value of the continuity of service which a reformed chamber could give to the nation in carrying on its complex international and imperial as well as domestic affairs.

There is another constitutional problem of great importance to which the Labor party may very well direct attention and in which they may achieve a reform that is already, in the opinion of many, long overdue. The congestion at Westminster has seriously affected the efficiency of our parliamentary system.

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The adoption of Home Rule for Ireland has brought an important measure of relief, but the growing urgency of domestic affairs and the far-reaching proposals envisaged by the Labor party, together with the seriousness and increasing complexity of international and imperial affairs, make it of the highest practical concern that a policy of legislative as well as of administrative devolution should be extended to other parts of the United Kingdom. Scotland and Wales have for many years favored a policy of Home Rule all round, and influential support to this idea has come not only from the Liberal but also from the Conservative ranks. The joint Committee of the Lords and Commons which under the chairmanship of the former Speaker of the House of Commons examined the problem in 1918, recognized the need for reform while being almost equally divided as to the remedy. One-half were in favor of the creation of a large number of committees within the Parliament of Westminster, to which wider powers affecting legislation should be entrusted, while the other half favored a more thorough-going proposal for the establishment of subordinate parliaments in England, Scotland and Wales.

This latter more drastic change is quite evidently necessary. Every year the congestion of Parliament increases, and no development in its internal organization and procedure can bring the required relief. It is true that in the ranks of Labor there has been an influential group of thinkers who, emphasizing the growing interconnection of interests between the different parts of the country, are averse to the large decentralization which is involved in a scheme of subordinate parliaments. The existence of single Labor unions throughout the country in itself tends toward the adoption of a United Kingdom policy; furthermore, one Parliament may seem to offer a better means of advancing common standards throughout Great Britain than would three or more separate parliaments. But strong as these considerations are, there are others which are more weighty, and it is significant that the Independent Labor party has laid stress on the urgent need for decentralization. It is through more self-government that democracy must advance, and it is possible, while devolving wide powers to national assemblies or parliaments, to safeguard interests common to all parts of Great Britain. Nothing short of legislative devolution can afford the necessary scope for local initiative and experiment, and nothing

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short of devolution can relieve the central Parliament of its congestion and enable it to concentrate attention as it should on international and imperial affairs and on important domestic interests common to the countries which are still united at Westminster. Furthermore, the presence of the representatives of Northern Ireland at Westminster, combined with the fact of legislative devolution in Northern Ireland and of dominion status in Southern Ireland, leave a constitutional situation which is not final either for Ireland or for Great Britain. Nor should it be forgotten that Wales and Scotland—the countries which have felt most keenly the need of legislative decentralization,—are those in which Labor has secured a leading position. Here, therefore, is a question the solution of which very specially concerns Labor, which is in accord with the general lines of Labor's development, and which also will meet with a measure of support from both Liberal and Conservative ranks.

There also are other constitutional questions in which the organization of the House of Commons is involved. Labor, supported by some members of other parties, has urged a greater development of the committee system within the House, particularly in respect to foreign affairs and as regards public finance. The democratic control of foreign policy has been demanded by Labor, and, as a means to this end, greater publicity in foreign affairs and the abolition of all secret understandings. Special interest has been taken in the working of the Committee on Foreign Relations in both France and in the United States, and it remains to be seen whether the Labor Government will seek to develop such machinery within the English parliamentary system. Similarly, there has been an increasing demand during the last quarter of a century for more effective control over finance by the House of Commons. The Select Committee of 1902–3 on National Expenditure, and more recently the House of Commons Committee of 1917–18 on the same subject, have favored in one form or another the establishment of a Committee on Estimates which should endeavor to secure a more thorough examination of national expenditure than is permitted by the present budgetary system. The establishment of an Estimates Committee in the three sessions of 1912–14, and the more recent experiment since the war, have failed to solve the problem; but renewed efforts are likely to be made in this direction. Not only the annual estimates of expenditure are involved; the procedure

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may also be extended to the very vital problems of banking and currency policy on the one hand and of taxation on the other.

Thus a large field for constructive constitutional work is today lying to the hand of the more progressive elements in the House of Commons. With so much practical work to be done there is neither the inducement nor the need to embark on schemes of a more visionary, but almost certainly a less fruitful, character. The country and the parties are becoming increasingly conscious of this, which in itself is a guarantee of steady, ordered progress.

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LENIN

By Victor Chernov

LENIN is dead—this time dead physically, for spiritually and politically he has been dead a year at least. We have got in the habit of speaking of him as a thing of the past; and for that very reason it will not be difficult now to write of him dispassionately.

Lenin was a great man. He was not merely the greatest man in his party; he was its uncrowned king, and deservedly. He was its head, its will, I should even say he was its heart were it not that both the man and the party implied in themselves heartlessness as a duty. Lenin's intellect was energetic but cold. It was above all an ironic, sarcastic, and cynical intellect. Nothing to him was worse than sentimentality, a name he was ready to apply to all moral and ethical considerations in politics. Such things were to him trifles, hypocrisy, "parson's talk." Politics to him meant strategy, pure and simple. Victory was the only commandment to observe; the will to rule and to carry through a political program without compromise, that was the only virtue; hesitation, that was the only crime.

It has been said that war is a continuation of politics, though employing different means. Lenin would undoubtedly have reversed this dictum and said that politics is the continuation of war under another guise. The essential effect of war on a citizen's conscience is nothing but a legalization and glorification of things that in times of peace constitute crime. In war the turning of a flourishing country into a desert is a mere tactical move; robbery is a "requisition," deceit a strategem, readiness to shed the blood of one's brother military zeal; heartlessness towards one's victims is laudable self-command; pitilessness and inhumanity are one's duty. In war all means are good, and the best ones are precisely the things most condemned in normal human intercourse. And as politics is disguised war, the rules of war constitute its principles.

Lenin was often accused of not being and of not wanting to be an "honest adversary." But then the very idea of an "honest adversary" was to him an absurdity, a smug citizen's prejudice, something that might be made use of now and then jesuitically in one's own interest; but to take it seriously was silly. A de-

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fender of the proletariat is under an obligation to put aside all scruples in dealings with the foe. To deceive him intentionally, to calumniate him, to blacken his name, all this Lenin considered as normal. In fact, it would be hard to exceed the cynical brutality with which he proclaimed all this. Lenin's conscience consisted in putting himself outside the boundaries of human conscience in all dealings with his foes; and in thus rejecting all principles of honesty he remained honest with himself.

Being a Marxist, he was a believer in "class struggle." As an individual contribution to this theory he used to confess his belief that civil war was the unavoidable climax of class struggle. We may even say that to him class struggle was but the embryo of civil war. Dissent in the party, whether serious or merely trifling, he often tried to explain as an echo of class antagonisms. He would then proceed to eliminate the undesirable by cutting them off from the party, and in doing this he "honestly" resorted to the lowest means. After all, is not a non-homogeneous party an illegitimate conglomeration of antagonistic class-elements? And all antagonistic class-elements should be treated according to the precept "war is war."

His whole life was passed in schisms and factional fights within the party. From this resulted his incomparable perfection as a gladiator, as a professional fighter, in training every day of his life and constantly devising new tricks to trip up or knock out his adversary. It was this lifelong training that gave him his amazing cool-headedness, his presence of mind in any conceivable situation, his unflinching hope "to get out of it" somehow or other. By nature a man of single purpose and possessed of a powerful instinct of self-preservation, he had no difficulty in proclaiming *credo quia absurdum* and was much like that favorite Russian toy, the Van'ka-Vstan'ka boy, who has a piece of lead in his rounded bottom and bobs up again as fast as you knock him down. After every failure, no matter how shameful or humiliating, Lenin would instantly bob up and begin again from the beginning. His will was like a good steel spring which recoils the more powerfully the harder it is pressed. He was a hardy party leader of just the kind necessary to inspire and keep up the courage of his fellow fighters and to forestall panic by his personal example of unlimited self-confidence, as well as to bring them to their senses in periods of high exaltation when it would be extremely easy for them to become "a conceited party," as he

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used to say, resting on their laurels and overlooking the perils of the future.

This singleness of purpose was the thing that most imposed respect among his followers. Many a time when Lenin managed to survive, thanks only to some blunder of his foes, the credit for his survival was attributed to his unflinching optimism. Often it used to be mere blind luck—but then blind luck mostly comes to those who know how to hold out through a period of desperate ill-luck. Most persons soon give up. They do not care to sacrifice their strength in evidently futile attempts; they are sensible—and it is this good sense that precludes good luck. There is some supreme common sense, on the other hand, in a man who will spend his last ounce of energy in spite of all odds,—in spite of logic, destiny and circumstance. And with such "unreasonable common sense" nature endowed Lenin to excess. Thanks to this tenacity he more than once salvaged his party from apparently inextricable straits, but to the masses at large such occurrences were miracles and were ascribed to his genius of foresight. Foresight on a large scale, however, was the very thing he lacked. He was a fencing master first of all, and a fencer needs only a little foresight and no complicated ideas. In fact, he must not think too much; he must concentrate on every movement of his adversary and master his own reflexes with the quickness of inborn instinct, so as to counter every hostile move without a trace of delay.

Lenin's intellect was penetrating but not broad, resourceful but not creative. A past master in estimating any political situation, he would become instantly at home with it, quickly perceive all that was new in it and exhibit great political and practical sagacity in forestalling its immediate political consequences. This perfect and immediate tactical sense formed a complete contrast to the absolutely unfounded and fantastic character of any more extensive historical prognosis he ever attempted—of any program that comprised more than today and tomorrow. The agrarian plan worked out by him in the nineties for the Social-Democratic Party, something he had been toiling over and digesting for ten years, met with complete failure, an accident which never prevented him subsequently from hastily borrowing from the Social-Revolutionaries agrarian slogans which he previously had spent much effort in combating. His concrete plans of attack were superbly practical; but his gran-

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diose program of action after victory, which was to cover a whole historical period, went to pieces at the first touch of reality. His "nearer political outlook" was unexcelled; his "further political outlook" went permanently bankrupt.

As a man who already had the truth in his pocket he attached no value to the creative efforts of other seekers after truth. He had no respect for the convictions of anyone else, he had none of the enthusiastic love of liberty which marks the independent creative spirit. On the contrary, he was dominated by the purely Asiatic conception of a monopoly of press, speech, justice, and thought by a single ruling caste, agreeing therein with the alleged Moslem saying that if the library of Alexandria contained the same things as the Koran it was useless, and if it contained things contrary it was harmful.

Granting that Lenin was absolutely lacking in creative genius, that he was merely a skilful, forcible and indefatigable expounder of other thinkers' theories, that he was a man of such narrowness of mind that it could almost be called limited intelligence, nevertheless he was capable of greatness and originality within those limitations. His power lay in the extraordinary, absolute lucidity—one might almost say the transparency—of his propositions. He followed his logic unflinchingly even to an absurd conclusion, and left nothing diffuse and unexplained unless it were necessary to do so for tactical considerations. Ideas were made as concrete and simple as possible. This was most evident in Lenin's rhetoric. He never was a brilliant orator, an artist of beautiful speech. He would often be coarse and clumsy, especially in polemics, and he repeated himself continually. But these repetitions were his very system and his strength. Through the endless re-digesting, uncouth pounding and clumsy jokes there throbbed a live, indomitable will that would not be deviated by an inch from the appointed path; it was a steady, elemental pressure whose monotony hypnotized the audience. One and the same thought was expressed many times in many different shapes till finally in one way or another it penetrated each individual brain; then, as a drop of water perforates the rock, constant repetition was applied to implant the idea into the very essence of the hearer's intelligence. Few orators have known how to achieve such admirable results by dint of repetition. Besides, Lenin always *felt* his audience. He never rose too high above its level, nor did he ever omit to descend to it at

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just the necessary moment, in order not to break the continuity of the hypnosis which dominated the will of his flock; and more than any one he realized that a mob is like a horse that wants to be firmly bestrode and spurred, that wants to feel the hand of a master. When needed he spoke as a ruler, he denounced and whipped his audience. "He's not an orator—he's more than an orator," someone remarked about him, and the remark was a shrewd one.

The will of Lenin was stronger than his intellect, and the latter was everlastingly the servant of the former. Thus when victory was finally won after years of clandestine toil he did not embark upon the task of embodying his ideas as would a constructive socialist who had pondered over his creative work in advance; he merely applied to the new, creative phase of his life's program the same methods which had been used in his destructive struggle for power, "On s'engage et puis on voit"—he was very fond of these words of Napoleon's.

Lenin has often been painted as a blind dogmatist, but he never was such by nature. He was not the kind to become attached for better or worse to a symmetrically finished system, he merely set his mind on succeeding in his political and revolutionary gamble, where to catch the proper moment meant everything. This is how he often became a quack, an experimenter, a gambler; this is why he was an opportunist, which is something diametrically opposed to a dogmatist.

Many critics have thought Lenin greedy for power and honors. The fact is he was organically made to rule and simply could not help imposing his will on others, not because he longed for this but because it was as natural for him to do so as it is for a large astral body to influence the planets. As for honors, he disliked them. His heart never rejoiced in pomp. Plebeian in his tastes and by his inmost nature, he remained just as simple in his habits after the October revolution as he had been before. He has often been represented, too, as a heartless, dry fanatic. This heartlessness of his was purely intellectual and therefore directed against his enemies, that is, against the enemies of his party. To his friends he was amiable, good-natured, cheerful, and polite, as a good comrade should be; so it was that the affectionate, familiar "Iliich" became his universally accepted name among his followers.

Yes, Lenin was good-natured. But good-natured does not

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mean good-hearted. It has been observed that physically strong people are usually good-natured, and the good nature of Lenin was of exactly the same description as the amiability of a huge Saint Bernard dog toward surrounding pups and mongrels. So far as we can guess, real good-heartedness most probably was considered by him one of the pettiest of human weaknesses. At least it is a fact that whenever he wanted to annihilate some Socialist adversary he never omitted to bestow upon him the epithet of "a good fellow." He devoted his whole life to the interests of the working class. Did he love those working people? Apparently he did, although his love of the real, living workman was undoubtedly less intense than his hatred of the workman's oppressor. His love of the proletariat was the same despotic, exacting, and merciless love with which, centuries ago, Torquemada burned people for their salvation.

To note another trait: Lenin, after his own manner, loved those whom he valued as useful assistants. He readily forgave them mistakes, even disloyalty, though once in a while calling them sternly to task. Rancor or vengefulness were alien to him. Even his foes were not live, personal enemies but certain abstract factors to be eliminated. They could not possibly excite his human interest, being simply mathematically determined points where destructive force was to be applied. Mere passive opposition to his party at a critical moment was a sufficient reason for him to have scores and hundreds of persons shot without a moment's consideration; and with all this he was fond of playing and laughing heartily with children, kittens and dogs.

It has been said that what the style is the man is. It would be even truer to say that what the thought is the man is. If it has been given to Lenin to leave any imprint of himself upon the doctrine of class struggle it is to be found in his interpretation of the dictatorship of the proletariat, an interpretation permeated with the conception of that will which was the essence of his own personality. Socialism means the enfranchisement of labor; and the proletariat is the warp and woof of the working mass. In the proletariat itself, however, there are purer and less pure strains of proletarians. Now if a dictatorship of the proletariat over the working masses is required there must be, on the same principles, within the proletariat itself a vanguard-dictatorship over the proletarian rank and file. This must be a kind of quintessence, a true Proletarian Party. Within this Proletarian

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Party there must likewise be an inner dictatorship of the sterner elements over the more yielding ones. We have thus an ascending system of dictatorships, which culminates and could not help culminating in a personal dictator. Such Lenin came to be.

His theory of concentric dictatorships,—which reminds one of the concentric circles of Dante's Inferno,—thus developed into a universally applicable theory of Socialist dictatorial guardianship over the people, that is, into the very antithesis of true Socialism as a system of economic democracy. This favorite and most intimate conception of Lenin—and the only one really his own—was a *contradictio in adjecto*. Such an inner contradiction could not help but become, ultimately, a source of disintegration inside the party he had created.

He is dead. His party is now headed by men whom for a long period of years he moulded after his own image, who found it easy to imitate him but who are finding it extremely difficult to continue his policy. That party as a whole is now beginning to experience the fate of its supreme leader: gradually it is becoming a living corpse. Lenin is no longer there to galvanize it with his surplus energy; he spent himself to the dregs—spent himself on a party which is now, in its turn, exhausted. Over his freshly made grave it may for a moment draw closer together and pronounce vows of fidelity to the revered teacher who has told it so much in the past, but who today is telling it no more, and who will tell it no more in the future. Then it will fall back into everyday life and again be subject to the law of disintegration and dissolution.

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THE FUTURE OF THE MONROE DOCTRINE

By C.

THE hundredth anniversary of the Monroe Doctrine has now been duly celebrated. In the literature elicited by this occasion the dominant note has been one of satisfaction and of praise. Plainly the American people with few exceptions are proud of the Monroe Doctrine. They look on it as a monument to the wisdom of the fathers. They believe that it has proved beneficial, not only to themselves, but to the whole Western Hemisphere, without giving cause of legitimate umbrage to the rest of the world for it is a doctrine of defense, not aggression. It has been and still is the shield of many a weak state. So far from being "an obsolete shibboleth,"[1] it is as living today as when it was first enunciated and is admitted to be the fundamental principle of our foreign policy from which no statesman at Washington may swerve even by a hair's breadth.

To be sure, these views come a little more glibly from the Republicans than from the Democrats. The Monroe Doctrine did get into the Peace of Versailles, but it was rather as an afterthought with the not very inspiring appellation of a "regional understanding." It may not be incompatible with the League of Nations, but the relations between the two require a certain amount of explanation. This explanation the Democrats have offered, indeed they have had to keep on offering it, yet at the best theirs is only a defensive attitude, however vigorous, while the Republicans can expatiate on the triumphant continuity of the truly American policy from the days of Monroe and John Quincy Adams to those of Harding and Hughes. Certainly its success has been remarkable and great is its present renown.

A century ago when the Monroe Doctrine was promulgated, though it warmed the heart of people at home, its effect abroad was less than many have imagined. In actual fact it did not attract widespread attention in Europe or enthusiasm in South America, nor can one demonstrate that it had any direct influence in the settlement of the two questions which led to its formulation—namely, the attempt of the Russians to extend their American coast to the southward, and the half-formed,

[1]See *The Monroe Doctrine, an Obsolete Shibboleth*, by Hiram Bingham, Yale Press, 1913. The fact that the author revised his opinions later does not make the book less worth reading.

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quickly abandoned, plan of the Holy Alliance to assist Spain in the subjugation of her insurgent colonies. But the new principle was launched and today there are no nations, great or small, which do not know that they must regard it as the ark of the covenant of the foreign policy of the most powerful country in the world. Its enforcement is ensured by the determination of the American people with all the immense strength, moral as well as material, which they represent. No European minister is now in a position to reject any part of it as outspokenly as was done by Canning, or sixty years later by Lord Salisbury. It may not be liked everywhere but it has been recognized by the fifty-four states who have joined the League and there can be little doubt of their readiness to pay it whatever further respects may be required.

The Monroe Doctrine is, as we have always admitted, based on mixed motives. This is proper and human. The harping on its altruistic side to an extent which arouses the cynical amusement, if not the actual wrath, of the foreigner, is also natural enough, even if perhaps peculiarly characteristic of the English-speaking peoples. Nevertheless, no reasonable critic can deny that in regard to it there has been altruism in the attitude, and on numerous occasions in the conduct, of the United States towards its sister republics. Even today when the necessity of protecting them is pretty well passed, there is a strong popular sentiment, not to say sentimentality, about them,—a sentimentality, be it noted, that does not extend to Canada, which is nearer to us in almost every respect, but which has so far been content to enjoy her liberties under a monarchial government. As has been well said by Mr. Root, the Monroe Doctrine "crystallized the sentiment for human liberty and human rights which has saved American idealism from the demoralization of narrow selfishness, and has given to American democracy its true world power in the virile potency of a great example."

This idealism, which still exists, helps to account for the enthusiastic support accorded by the American public, regardless of party, not only to the words of President Monroe, but to the later applications of his policy. The most striking example was in the case of the Venezuelan boundary dispute, a matter no one had heard of before President Cleveland sent his message to Congress but which the country was quite ready to go to war about, although the territory under discussion was in itself

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negligible. On the other hand, the tangible material advantages which the Monroe Doctrine has ensured and still seems to promise require no subtlety for their comprehension by the average voter as well as by those who guide his opinions. Its popularity is therefore established. Whatever uncertainty there may be as to its status and its prospect of duration may be ascribed not to weakness or to lack of faith in its devotees or to the might and perversity of its adversaries but to defects in its own nature, if there be such, or else to tendencies of the age which threaten it with decadence. What are these defects or tendencies and why should we entertain doubts about the future?

To answer this we must begin by examining a theory which is too often presupposed as a fact, namely that there is an especial community of interests and aspirations between the peoples of the western world. If so, why so? On what is that community based? Some would say on geography, but this view, which though common has never been very sound, is becoming every year more antiquated. As time goes on the division of the world by continents has less and less actual significance. For instance, as a political, cultural or economic entity, the old conception of a separate "Europe" has lost most of its meaning. Either it should include Siberia or it should not include Russia, for the Urals no more mark a division between the two than do the Alleghenies between our own East and West. Again who will maintain that a Frenchman from Algeria, even if born and bred there like Mr. Viviani, is in any true sense an African, and that his natural affinities should draw him not towards Paris but Timbuktu? In the same way, why should the circumstance that the United States and Argentina happen to be connected by land (a matter of physical geography but of no practical consequence) outweigh the one that Buenos Ayres is about as near and New York is much nearer to London, Paris, Berlin, and Rome than Buenos Ayres and New York are to one another? Calling them in the same hemisphere does not bring them any closer together. And what is true geographically is equally true economically. Foreign trade depends on many variable as well as permanent factors, among which sentimental ones are apt to play a small part and are not likely to be durable. There is no inherent reason why non-contiguous American countries should deal with each other rather than with anyone else. In the long run trade will follow whatever are the natural lines.

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If we come to cultural affinities the case is still clearer. By and large, the average American, even when like the late President Roosevelt not primarily of English descent, has more in common with not only the Englishman but with other northern Europeans than he has with the vast majority of Latin Americans. He is also at bottom more interested in them and their countries. Ireland is nearer to us in miles than is Uruguay. It also means, and will mean, much more to us. To be sure, we have ten million negroes in the United States who may feel more akin to the blacks in Hayti or Brazil than they do to Europeans. Still it can hardly be said that it is for their especial benefit that we are fostering Pan-Americanism.

We stand on firmer ground in another argument which is frequently urged in behalf of the Monroe Doctrine and of Pan-Americanism, to wit the similarity in historical origin, in political outlook, and in the problems to be confronted by the young independent states of this hemisphere. That there is a certain amount of similarity between them in these respects is undeniable. Historically the republics of the new world have freed themselves from European domination and monarchical rule and have thereby cast off many of the trammels of the past; they are still sparsely peopled over much of their extent and are full of untapped resources which give them the expectation of a brilliant future. They have thus the freshness and vigor, the hopes and the ideals of youth, as contrasted with the hoary antiquity of Asia and Europe. This in itself has been enough to create a natural bond of sympathy between them.

So far so good, but we must not forget that in these days republics are the rule, not the exception. There are as many of them in Europe as there are in South America. Liberty has made enormous strides in the last generation, and the despotisms of today are no longer based on the divine rights of kings. Some of the new republics of the Eastern Hemisphere may be as oppressive and as ruthless as the systems they have dispossessed, but there are no such theoretical differences between our "system" and that of Europe as there were when President Monroe wrote about them, nor, except in the case of Russia, is there any essential discrepancy in political outlook. As for the protection we have extended against foreign interference, forms of government have had little or nothing to do with it,—witness the fact that for the last fifty years the United States would no

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more have tolerated aggression against an American state on the part of the French Republic than it would have on that of the British Empire.

Similarity of problems to be faced unquestionably tends to create a tie or at least understanding between peoples as it does between individuals. It is more or less correct, too, though decreasingly so as the years pass, to divide countries into old and new from the point of view of their economic development. The republics of the Western Hemisphere are all of them new countries with many of the same sort of difficulties to solve. This gives them a community of interests and, to a certain extent, of view point. What can be more natural than for them to cöoperate and to proffer to one another the benefit of suggestion if not of actual assistance in the carrying out of their manifold tasks, as has been done in the Pan-American Scientific Congresses and other non-political conferences which can arouse no objection and should be productive of good to all concerned. Parenthetically, we may regret that Canada has so far not been invited to take part. To leave her out is ridiculous and betrays a narrow-minded reluctance to get away from nationalistic conceptions. One must admit, too, that the term "the new world" cannot properly be confined to the Western Hemisphere. Australia, New Zealand and most of South Africa and Siberia are in truth just as new countries as are the United States or Brazil or Peru, and offer like problems to be solved and helpful illustrations of how to solve them. Of course this is not a reason against coöperation for the common good between the American republics themselves, but it does strengthen the doubt whether the Monroe Doctrine and the Pan-Americanism which has grown out of it are based on any unusual solidarity between the commonwealths concerned.

Finally it should be remembered that the policy of "America for the Americans" until recently has been accompanied by a clear admission that if Europe must keep out of American affairs it is incumbent on America to keep out of European ones. This has been proclaimed again and again, and is today the official dogma of the Republican Party. On the whole the principle has been well observed in practice. American statesmen have more than once resisted not only temptations but urgent solicitations to take a hand in the settlement of European questions. In their refusal to do so they have met with popular approval. But

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willy-nilly, as time has gone on, we have become increasingly involved, and this not through desire of our own but through the working of the improved means of communication and of the vast economic forces which have brought the different parts of the world so much nearer to one another. American interests, political as well as commercial and cultural, have expanded. Already before the World War we had shown that we were willing to intervene in Asia and even acquire possessions there, and it is no longer true that "in the wars of the European powers in matters relating to themselves, we have never taken any part, nor does it comport with our policy so to do." On the contrary, we have taken part on a tremendous scale with results of incalculable importance for the future. Of course the Monroe Doctrine never suggested that we should not respond to provocation, and with our whole might. We did so and exacted the satisfaction we were entitled to, but in so doing we sent huge armies across the seas, assumed an active rôle in remaking the map of Europe and the leading one in creating a league meant sooner or later to include all nations. It is true that we remained an "associated" not an "allied" power, that the Senate did not ratify the peace treaty recommended to them by the President, and that the country has endorsed their action, but this has not undone the provisions which he and his advisers helped to draw up and impose. It has merely put an end to our participation in their fulfilment. Besides, there is no certainty that we may not intervene again before long. The Republican Party may loudly proclaim the error of the ways of the former administration—in the matter of the peace though not of the war—and may be filled with the belief that the path of wisdom lies in keeping out of European entanglements. But who can say that a Democratic victory a few months hence may not lead to a reversal of our policy. Indeed to many, both in this country and abroad, the attempt to return to our former comparative isolation looks like a desperate effort to make water run up hill. Even a Republican administration is willing to interest itself, at least indirectly, in the question of Reparations, for whether we like it or not the payment of the allied debts to us may depend on its solution. What the Republicans deny is not the right but the wisdom of our intervening in European affairs. The welfare of the United States is the only criterion to be observed.

As regards Asia our position has still less basis of reciprocity.

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In recent years since the rise of Japan we have maintained that the Monroe Doctrine applies to Asia as well as to Europe and that no interference would be tolerated from that side any more than from the other. This was stated by Secretary Hughes in his speech in Philadelphia last November. Yet we have possessions and keep troops in Asia and have definite policies there. In the Philippines, which are of as much interest to the Japanese as say Venezuela is to us, we are their next door neighbors. We took the islands before Japan was strong enough to have a voice in the matter, and we feel no more obliged to consult her about them than Spain did us about Cuba as long as she held it. But if Japan had been strong enough she would have had as good a right to oppose the transfer as we had in the nineteenth century to veto any transfer of Cuba to England or France. Remembering this and also our political and commercial activities in China, we need not wonder if the Japanese look on the Monroe Doctrine as one-sided in so far as they are concerned. They will agree with Mr. Hughes that "it is a principle of exclusion."

But if there is to be no reciprocity in regard to the interference of the great powers of one hemisphere in the affairs of the other, if the Western Hemisphere is to be free to meddle with the Eastern while remaining a closed preserve, or if at best we are to say "we will not, others must not," the logic of the situation and of the Monroe Doctrine looks peculiar. Other countries may submit to it because they have to—and at the present moment they need American help too much to bother about logic, on the contrary many of them are beseeching us to disregard it,—but is such a doctrine fair and can it be maintained in the long run?

One may reply that we don't care what others think. The first duty of a nation is to look after its legitimate interests, as it has a perfect right to do if it does not infringe on the rights of others. The Monroe Doctrine is and has been most useful to us, and we mean to maintain it on our own account, only incidentally congratulating ourselves that it shields our weaker neighbors and does injury to no one. By such a frank abandonment of altruistic grounds we put the Doctrine on a level with other policies of national interest, for instance the one held so long by Great Britain that Britannia must rule the waves if she is to preserve her Empire and to keep herself from being starved out by her enemies. From the British point of view there is much to be said for this creed, but none the less Britain has just

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had to modify it to avoid a ruinous competition with the United States. Instead she must content herself with such security as is afforded to her by the resolutions of the Disarmament Conference. We are thus witnessing what, amidst the immeasurable changes taking place about us, bids fair to mark the beginning of the end of a principle which for centuries England has held to be vital to her very existence. Is it not possible that in like manner the Monroe Doctrine may be superseded by some new conception, either because of increasing resistance to it as it stands or because its objects may be obtained by other and better means?

A possible coalition of European nations to set the Doctrine aside has been suggested here and there in the past, though not very seriously or by responsible statesmen. Such a thing is perhaps imaginable in the future, but has never looked less probable than it does now. Should some of the European powers band themselves together to oppose us, it is much more likely to be against what they regard as American or Anglo-Saxon domination all the world over than with the thought of aggression in the Western Hemisphere. Similarly, the peril of future conflict between Japan and the United States is due, as far as this side of the Pacific is concerned, to Japanese resentment at the discrimination against her nationals, and not to Japanese designs on Magdalena Bay. On the other hand, it is by no means inconceivable that the Monroe Doctrine may lose its vitality by the drawing asunder of the parties for whose benefit it was elaborated, and that an estrangement between the United States and Latin America will lead to their forming in other quarters permanent ties stronger than the mutual bonds which today bind them together.

Such an outcome might result from certain tendencies on either side or from parallel ones on both. Let us take the most obvious possibility. In the present age when "systems" of government are becoming more or less the same all over the globe and when former geographic conceptions are getting out of date, ultra nationalism, both as a creator and as a destroyer of empires, is one of the dominating impulses in the political and cultural world. Nationalism tends to be bound up with some particular language and there is a marked disposition on the part of the people speaking that language, and even of those speaking languages in the same group, to draw closer together. The natural drift of the future would therefore appear to be on

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the one hand towards something like a federation between the so-called Anglo-Saxon nations, with perhaps union between the United States and Canada (it is too late to talk of "annexation"); on the other towards Pan-Iberianism, that is to say a strengthening of the connections between Latin America and the mother countries of Spain and Portugal. This new happy family of what are termed Latin peoples, whatever their blood, might perhaps include Italy and at a later date possibly, though not so probably, France, thereby consummating a grand Pan-Latin entente. If this double evolution were to occur, there would not be much left of the Monroe Doctrine, nor reason for its further existence.

But even without a regrouping of the sort, the attitude of Latin America towards the Doctrine is of more consequence than most people in this country realize. In none of our foreign questions are clear thinking, coolness and patience more necessary for us than in those affecting our southern neighbors. We have to be continually alert to avoid illusions and to appreciate the view of the other side. On our own we start with the belief that in the past, again to quote the words of Secretary Hughes, we have "rendered an inestimable service to the American republics by keeping them free from the intrigues and rivalries of European powers." But for us their liberties, nay their very life as independent communities, would have been endangered and large parts of them might have become conquered colonies of distant and alien masters. Perhaps. That we have shielded them is indisputable and for this kindly attitude they have expressed themselves as grateful. That without our protection they would have fallen a prey to foreign powers is not so susceptible of proof. It is true a good many arguments may be advanced in support of this contention. We can point to the immense colonial expansion of several European powers in Asia and Africa in the last quarter of the nineteenth century and declare that it was nothing but fear of the United States which saved the Western Hemisphere from similar imperialism. But this is not conclusive. No European power, whatever it may think of the others, will admit that it entertained designs of the kind, and many Latin Americans are convinced that by 1880 when the most active and dangerous period of European expansion began, they were quite competent to take care of themselves, especially as they would have aided one another against

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European aggression, and that at least south of the Caribbean basin the guarantee of the United States was superfluous. Some of the Latin republics may have been ill governed and disorderly but they were not barbarous African tribes or decrepit oriental despotisms. At the last resort they had good powers of resistance, thanks to their inherited aptitude for guerrilla warfare if for no other reason, as the Germans would have found if they had landed in Venezuela in 1902. Take the famous case of American action in 1866 in regard to the French intervention in Mexico, which is usually quoted as the most striking application of the Monroe Doctrine (although the term itself was not used in the discussion). The end of Maximilian's empire was only hastened by a few years. The French were tired enough of the whole Mexican business before Mr. Seward served his summons upon them, and anyway the war of 1870 with Germany would have led to the withdrawal of their troops from Mexico as inevitably as it did from Italy. The final crash would then have not been long delayed.

But even granting that we rendered Mexico a notable service in 1866, few will venture to assert that it surpassed the injury which we had inflicted on her twenty years earlier when, after invading her territory and storming her capital, we deprived her by right of conquest of a third of her dominions. It may be that this invasion was justified. Many will feel, too, that whatever the attendant circumstances, the transfer of California and Arizona and New Mexico from Latin-Indian to Nordic rule has been a gain to civilization. Still we can hardly wonder if there are Latin Americans who opine that whatever we may have done to preserve their republics from European aggression and perhaps transient domination, it does not compensate for the lasting curtailment of the Latin portion of the continent brought about by our annexation of Texas and by the Mexican War. Verily the famous Zimmerman note proposing to undo the work of General Scott's victories and give back to Mexico much of what she had lost must have excited a certain wistful longing in the breasts of some persons to the south of us.

We must remember likewise that hostile critics brand our profession of protecting Latin America as rank hypocrisy. They denounce our political intervention in Panama, San Domingo and elsewhere and point to our cultural work in the Philippines and in Porto Rico as attempts to supplant Hispanic by Yankee

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language and civilization. It is true a more sensible opinion has hailed in the past our guarantee against European aggression and even today the statesmen in such stable countries as Brazil and Argentina can understand why the United States still feels the need of shielding the comparatively weak and distracted region about the Caribbean. Also, as the most famous and effective expression of the idea of America for the Americans, the Monroe Doctrine has been acclaimed, if not always with the same sincerity, in every republic of the Western Hemisphere. In Rio Janeiro a palace has been built to its name.

But the protection which it has extended to Latin America is no longer deemed necessary. Further insistence on this point is not only looked upon as tactless but arouses suspicion and anger. After all, the idea of "protection," especially if uncalled for, is not far removed from that of a "protectorate." And a protectorate, that is to say an overlordship on the part of their great northern sister, is today infinitely more feared by the Latin republics than is any danger from European imperialism. Our repeated assurances that we respect the rights of every independent state and regard all such as equal may dispel alarm for the moment, but too often they are listened to with skepticism or their effect is quickly effaced by some untoward word or incident. Latin Americans remember well such phrases as Mr. Olney's declaration in 1898 that "the United States is practically sovereign on this continent, and its fiat is law upon the subjects to which it confines its interposition." If this is the conclusion to be drawn from the Monroe Doctrine, small wonder that they deem it not a safeguard but a menace.

That this menace is felt to be very real may sometimes surprise us, for we are conscious of the best of intentions. None the less the fear exists and we must take it into account. So long as we confine ourselves to regarding the Monroe Doctrine as a splendid expression of elevated policy, a lofty enunciation of principles, something like the Declaration of Independence, so long will Latin America applaud it freely and on festal occasions celebrate its glory with all the fervor of southern eloquence. But the moment it comes to be regarded as conferring on us any especial rights or privileges, and the moment the ever ready suspicion is excited that it is being used in the name of law and order as a cover for encroachment on the liberties of others, what popularity it has vanishes, and it provokes sentiments akin to those

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entertained in the past about that same "Holy Alliance" against whose aims it was originally directed.

Some will assert that there is a simple way out of this uncomfortable situation, a way pointed to by Latin Americans from the first as the one which would eliminate their objections, but which the United States has so far refused to follow. Although the principles laid down by President Monroe in 1823 do not seem to have provoked particular enthusiasm on the part of the liberator Bolivar, he undertook to carry them a step further and to incorporate them into an official doctrine for all the American republics. With this object he got up a congress which was to meet at Panama. The United States was invited, though not by him, but showed itself very lukewarm about taking this first step towards Pan-Americanism; indeed it hemmed and hawed and declared its aversion to any alliance, and its delegate did not arrive until after the assembly had come to an end. The fact was that the Americans then, as so often afterwards, were disinclined to do anything which would interfere with their own freedom of action. The Monroe Doctrine was theirs and they meant to keep it so. Leagues of nations, even to further the ideas they themselves had started, did not appeal to them. 'Monroeism," as the Latins call it, was thus the parent of Pan-Americanism but it refused to identify its cause with that of its offspring.

After this rebuff Pan-Americanism slumbered peacefully as far as the United States was concerned for the next sixty years or so, until it was reawakened by the active genius of Secretary Blaine who in the winter of 1890 convoked in Washington the first official Pan-American Congress. Although not much was accomplished on the occasion, a start was made in the development of general inter-American relations. But five years later when President Cleveland's intervention in the Venezuela dispute assured the Monroe Doctrine a celebrity and a standing throughout the world it had never before enjoyed, there was no attempt to enlist the aid of the other American republics which, on the contrary, although they approved of the intervention, were alarmed by the language of Secretary Olney. Since that day the first Pan-American Congress has been followed by others, countless friendly words have been uttered, useful agreements about subjects of varying importance have been entered into (though not always ratified), the political congresses have

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been reënforced by scientific and technical ones, and the Pan-American Bureau has been created and has functioned as a permanent central organ. By such means, first and last, a good deal has been done to bring the American republics into closer communion, to make them understand their common interests and to increase the feeling of solidarity between them. We may say that the cultivation of Pan-Americanism is now part of our recognized policy.

But that very growth of Pan-Americanism has led Latin American opinion, including that portion most friendly to the United States, to feel with increasing intensity that the Monroe Doctrine, if not superseded, might at least be absorbed. From being an article of faith of one American republic it should become the creed of all, for all have an equal interest in its maintenance. Let it be openly adopted, then, as one of the basic principles of Pan-Americanism, to which all adhere and for whose enforcement all are alike responsible. None will then have cause to fear it.

The United States, however, has not welcomed adherence of this kind. It does desire and expect the approval of the sister republics, but it prefers not to have their coöperation, of which it feels no need and which might prove embarrassing. If every American state were equally a guardian of the Monroe Doctrine, each one would have an equal right to be consulted as to its applicability to any given set of circumstances. This could hardly fail to hamper our liberty of movement. The government at Washington, therefore, has sedulously avoided calling on the Latin American republics for support, either in discussions with European powers or in trying to settle difficulties in the Western Hemisphere. The chief exception to this rule was President Wilson's appeal to the A.B.C. powers in 1914 for assistance in straightening out the tangled affairs of Mexico. They responded with alacrity and though their good offices did not meet with much lasting success many men believed that a new era had begun, and that joint action of the leading American countries rather than the isolated intervention of the United States would be the normal process in the future. But this instance of the participation of other American powers has so far remained an isolated one. The United States has shown no further inclination to share its duties, however delicate and burdensome, with the sister republics. President Wilson him-

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self declared that "the Monroe Doctrine was proclaimed by the United States on her own authority. It always has been maintained and always will be maintained upon her own responsibility."

Last year at the Congress at Santiago the differences of opinion as to the proper position of the Monroe Doctrine in the scheme of Pan-Americanism came to a head. In answer to attempts to make the Doctrine part of a common program, Ambassador Fletcher flatly proclaimed that it was a unilateral expression of our individual policy in which no one else could take part and whose applicability to a given case we alone must determine, though we should welcome the other American countries following similar policies of their own. In this attitude he has been supported by the Administration. In his speech of August 30, 1923, Secretary Hughes declared: "The Monroe Doctrine is distinctively the policy of the United States; the Government of the United States reserves to itself its definition, interpretation, and application." The question is therefore settled for the time being.

It is too early as yet to judge what will be the effects on Pan-Americanism of this latest pronouncement. The State Department has only followed its almost constant tradition, and for weighty reasons, but the decision is serious. Such a stand cannot increase the popularity of the Monroe Doctrine, indeed there is a general belief in this country as elsewhere that the Santiago Congress, although it established some useful rules of business procedure, failed in its main object, the promotion of better relations between the American peoples. At any rate, the Latin American ones have been notified that the Monroe Doctrine, even if it is for their benefit, is none of their business. But as they on their side no longer feel any particular need of it they are not likely henceforward to give it at the best more than polite lip service. At the worst they will view it with increasing suspicion and hostility, as an arrogant assumption of superiority if not a permanent threat to their liberties. "Monroeism" and Pan-Americanism in spite of our efforts to reconcile them may come to represent incompatible ideals between which we shall have to choose. Such a prospect is not pleasant. No doubt we are strong enough to endure it but it offers a poor outlook for the future, and the question naturally arises whether under such circumstances the game would be worth the candle.

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Another set of reflections is suggested when one considers the relations of the Monroe Doctrine to the League of Nations. The Covenant of the League as first conceived and first drafted in Paris appeared to threaten the further existence of the Doctrine by rendering it supererogatory. President Wilson may have felt about this as he did when he yielded to British objection to his first insistence on the freedom of the seas, that it mattered not as the greater included the less. Such, however, was not the feeling of the public at home which soon gave so clear indications of uneasiness over the impending peril to a cherished tradition that the President after his return to Paris caused to be inserted a special provision in its favor. If he imagined that this was enough to reassure supersensitive patriots he was mistaken. His afterthought quite failed to satisfy them. The alarm he had occasioned did not die down and was one of the causes of his ultimate failure in rallying the country to his support.

But although we have not entered the League of Nations almost all of the Latin American republics have. We can find no fault with this. At the time they did so they had fair reason to hope that the United States, which had taken the leading part in the creation of the League, would sooner or later be one of its members. At any rate they are independent communities, free to join or not as they please without consulting us. We may suspect, however, that among the motives of some of them was the thought of finding a counterpoise to too much tutelage on the part of "los Yankis." This is natural, but not calculated to increase the none too great friendliness of Washington for Geneva. Let the Latin American members of the League interest themselves if they will in the question of Lithuanian boundaries or the government of the Saar, that is their affair; but it would be a very different matter if the League, whose membership is preponderantly non-American, were to show a desire to meddle, even if invited, in such matters as the frontier dispute between Costa Rica and Panama or the Tacna-Arica question between Chile and Peru. There can be little doubt that the United States, although on several occasions in the past it has not protested against arbitral decisions by European powers in American controversies, will be opposed to such things in the future, and in its present mood will regard even the most peaceful interventions not only of individual European states but of the League of Nations as contrary to the Monroe Doctrine.

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So far the League has had the wisdom to refrain from activity of this kind. It stands in too great awe of us to run such risks. When in 1921 Bolivia made complaint against Chile and asked for a revision of her peace treaty of 1883 the matter was promptly buried in a commission which has never reported. The honor and the difficulty of settling the long standing and bitter dispute between Chile and Peru, and incidentally, let us hope, of doing something for Bolivia, are now in the hands of the State Department, which will need its whole stock of wisdom to find an arrangement that shall not lead to deep and lasting disappointment, not to say resentment, in one quarter or another.

Perhaps the League is to be congratulated on not having to deal with this particular question, but patently it is left in a position of humiliating impotence if, owing to the disapproval of an outside power, it does not dare to accept the appeals under the articles of the Covenant of one of its own members against another. But supposing it should find the courage to do so, or supposing both parties to some American dispute should prefer, in spite of Pan-Americanism, to submit the issue to the arbitration of the League, are we to take it as outside "interference" and to forbid all such action? If we do, and this would seem to be consistent with our general attitude, many in Latin America will accuse us of imperialistic tyranny and of subjecting them to a servitude from which they will yearn to escape. We must realize that to assume the right of being the sole arbiter who can be called in is to assume the ungrateful rôle of the policeman. And even the policeman cannot well bar voluntary compacts beneficent to everybody. For instance should the meeting at Rome under the auspices of the League of Nations bring about among the smaller powers, including the Latin American ones, an agreement to extend the principles of the Disarmament Conference and to cease all naval competition, the world including ourselves could only applaud. But applause from Washington might be tempered by a touch of chagrin that the League had succeeded where Pan-Americanism under our aegis had failed at Santiago.

Of course partisans of the League of Nations do not hesitate to point out that the obvious way for the United States to avoid all such troubles is for itself to join the League. Pan-Americanism will only profit by the change. Everything that the Monroe Doctrine has achieved in the past will remain; everything that it might legitimately hope to achieve in the future will

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be as well accomplished through another agency. As long as the "law of the jungle" is the guide of conduct among peoples, including our own, the Doctrine may be a necessity. In a world transformed by the League of Nations, the much decried Article X would alone be enough to guarantee the fulfilment of its principles. If from sentimental motives we wish to maintain its being, the Covenant has specifically provided that we may do so. The power that we now hold in readiness to see that it is observed would exist equally under the League, but there would be no longer the same danger that we might be called upon to use that power.

This reasoning, though not easy to refute, is hardly likely to make many converts among those opposed to the League. They will regard it as a mere sugaring of a pill which they do not intend to swallow.

Be that as it may, it is difficult to avoid the conclusion that if we do some day become a party to the League or to any association with like objects, and if these pacts are honestly observed, the Monroe Doctrine in the spirit in which it was conceived will no longer have the same reason for continuance. It may linger on as a pious memory or as another name for a fraternal spirit of Pan-Americanism, but its political significance can hardly remain unchanged. Even without the League, a World Court with wide jurisdiction might by itself act as a dissolvent of the same kind. Here, too, the price may be worth paying, but there is a price to pay even if it is only a sentimental one. To be sure, the mere suggestion of our being called upon to sacrifice one of our most cherished dogmas is still enough to fill with anger many, perhaps the majority, of the American people and to imperil the prospect of their adhesion to either League or Court. Yet there are others who believe that the sun and the moon will not stand still and that the very controversy which has raged about the proper nature of our relations with the rest of the world is not empty wrangling over a closed incident but one of the steps in a new evolution.

Thus, when all is said and done, the Monroe Doctrine, however safe against attack from without, is not equally immune to the gentler perils of dissolution from within, nor to absorption in some broader humanitarian ideal. Today it is a name to conjure with; perchance in some not very distant tomorrow it will be nothing but a name. But even so, its task will have been performed.

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GERMANY AND THE LEAGUE

By Count von Bernstorff

NOBODY can read Hall Caine's beautiful last novel, "The Woman of Knockaloe," without being deeply touched by the wonderful simplicity and charm of this parable. The author, who was a passionate advocate of the Allied cause, shows us that the Great War has not only failed to kill war but has frightfully strengthened and inflamed the spirit of it, and that the after-war, which we call the Peace, has been more productive of evil passions than the war itself. That this is so can hardly be denied, although there may be different opinions as to the causes of this sad state of affairs. The writer of this article does not intend to deal with the past, because to do so necessarily involves inflaming passions still further. Whoever wishes to ascertain why the Peace of Versailles turned out to be a complete failure need only read Ray Stannard Baker's book, "Woodrow Wilson and World Settlement," where he will find all the authentic information he can possibly desire. Nobody can accuse Mr. Wilson or Mr. Hall Caine of being pro-German, and nevertheless they agree in regarding the present deplorable condition as the result of the Treaty of Versailles. The conclusion we have to draw from the past is that neither international welfare nor democracy can be built up on the old Roman principle of *vae victis*. And yet the United States went into the war to "make the world safe for democracy."

We must discard the past in order to find a remedy for the evils of the present. The urgent problem confronting all European statesmen is the pacification of the continent, an object which it is impossible to attain without first settling the reparation question. The reason why all attempts to bring about a permanent reparation settlement have failed is to be found in the simple fact that the problem is a universal one, and that it can only be solved by the coöperation of the whole world, whilst up to date the two most interested powers, France and Germany, have been left almost to themselves to find a solution. It is not too much to say that as long as France and Germany are left to their own devices the reparation question will never be settled. In that case the franc will go the way of the mark; misery will be universal on the European continent; and—inevitably—a new

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war will be brought about in the not distant future by national hatreds and the consequent growth of Bolshevism. France and Germany cannot by themselves come to an agreement on the reparation question; their mutual distrust, based on historical facts and national education, is too great to be overcome. The French believe that Germany is determined not to pay, and on the other hand there is not one German to be found who is not firmly convinced that France intends to remain forever in the German territory which she has occupied, partly in accordance with, and partly in violation of, the Treaty of Versailles. Germans cannot be blamed for taking this view, because whenever the French have reached the Rhine they have pressed on beyond it—in the Thirty Years' War and in the wars of Louis XIV, Louis XV and Napoleon I. These wars, too, were justified by invoking the principle of security. The French say that they will keep the German territories which they now occupy until the total debt has been paid off. To which the Germans naturally answer that they cannot pay as long as they are deprived of their chief resources. The occupation of the Ruhr Basin increased German distrust, because such an act seemed inexplicable if the French really desired Germany to pay reparations. It was as if a man who had a mortgage on a farm, and did not receive any interest, set fire to the farmhouse instead of trying to help the farmer improve his grounds.

Even if one considers the distrust unjustified on the one side or on the other, or even on both sides, the fact of the distrust certainly remains and makes a solution of the problem impossible unless a third party steps in. The dual problem is therefore: Who shall it be to intervene, and how shall he do it? This third party, let us remember, would have to be sufficiently powerful to furnish a guarantee on the one hand that Germany will pay, and on the other that France will evacuate the Rhine, the Ruhr and the Saar.

A first step has undoubtedly been taken in the right direction by the appointment of a commission to determine Germany's capacity to pay. However, Europe has been disappointed so often by the results of conferences and commissions that she does not yet see much reason for feeling too hopeful. The names and reputation of the delegates vouch for a very valuable report. But even the best suggestions are ineffective if they are thrown into the waste-paper basket, as was done with all former pro-

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posals made by experts. Many useful reports were made in a liberal and progressive spirit, but the leading statesmen of the victorious nations continued their policy of either doing nothing or doing the wrong thing, and the mark, acting as the barometer of the situation, continued to fall. Now by tremendous efforts and sacrifices on the part of the German Government and people the mark has been stabilized, and the franc has taken its place as a barometer. This development has had at least one good effect; it has exploded the theory that Germany has intentionally depreciated her currency. Does anybody pretend to say that France is depreciating her currency of her own free will for the purpose of bringing about a fictitious prosperity? The stabilization of the mark can not be maintained, however, if the expert commission does not succeed in ensuring the flotation of a small loan. About 400 million dollars will be necessary for the permanent stabilization of the mark, and if this sum is not forthcoming the process of inflation must necessarily begin again.

Germany is now taxed to her uttermost capacity. If the Government went further in this respect at the present moment capital would be entirely destroyed and there would be nothing left with which to build up German industries again. Such a procedure would lead to famine and a war between capital and labor, the results of which would be much worse than in Russia, because in Germany agriculture is not, as in Russia, predominant. Under such conditions, naturally, Germany could never pay any reparations.

The expert commission can only lead to a permanent settlement if its proposals are made the basis of a direct appeal to the public opinion of the world. European statesmen have let the matter drift in the wrong direction for such a long time that the expert commission cannot possibly come to any decision save that a moratorium must be granted Germany for several years. This would not have been necessary had a reasonable agreement on an international basis been reached four years ago. Obviously the commission will also come to the conclusion that Germany's capacity to pay is entirely dependent on her currency remaining stabilized. Therefore the small loan mentioned above will prove to be a *conditio sine qua non* for all further progress. This need not be an obstacle, however, as the sum involved is comparatively small,—so small that it can be provided by the

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banks without there arising any necessity for the different governments to be called in.

So far all may perhaps go well. Further progress depends entirely on the coöperation of the great powers, and that is a purely political question.

We now, therefore, approach the central problem. The author of this article has always advocated that Germany submit the whole question to the League of Nations. This has not been done because the former actions of the League have made Germans lose confidence in its impartiality, because it is very hard for a German Government to propose a solution which would certainly lead to foreign supervision and control of German finances, and last but not least because it is considered in Berlin that a solution through the League of Nations would be regarded with displeasure in America, and it is realized that no solution of the problem can be found without the assistance of the United States. Certainly these reasons are all very comprehensible, but they are not absolutely convincing. The League, indeed, has hardly ever yet shown justice to Germany. But the League is no super-government, as it should be and as some day it may be. It is simply an assembly of diplomats acting under instructions from their respective governments,—a kind of looking-glass in which the actual spirit of the world is reflected. The League is therefore no better or no worse than any other conference would be under present circumstances. What speaks for the League in this case is the fact that its machinery exists and is in working order, as the Austrian and Hungarian precedents have proved. If the German Government needs a second big loan for the purpose of paying reparations, and there seems to be no difference of opinion on this subject, an international financial control will be inevitable, as the money cannot be raised under any other conditions. There is really no reason, then, why the German Government should not apply to the League except that this move would at first be very unpopular in Germany. However, a statesman who wishes to save his country must brave public opinion. In this we have the example of Monsignor Seipel, who was at first violently attacked in his own country and is now universally considered a great statesman. If Germany will not appeal to the League of Nations, it is to be hoped that the new British Government will do so, or at least that it will call an international conference. The latter

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course might serve very nearly as well except for the fact that it would not work so quickly. In this case "time is money," if it ever was.

Probably the United States would prefer calling an international conference to using the existing machinery of the League of Nations, and this might force a decision in favor of the former course. There is this to be said, however, that America joined in the task of restoring Austria even though the League of Nations had taken this work in its hands. We have therefore a precedent, and precedents are of great importance in the political methods of the United States. Of course the two cases are not absolutely alike, as the restoration of Germany, which is identical with the restoration of Europe, is a far greater problem than the restoration of Austria, especially as no great nation opposed the latter, whilst France will do all in her power to prevent the internationalization of the German problem. But this resistance on the part of France must be overcome, because we are confronted by the dilemma of either having no solution at all or having an international solution. One cannot repeat this too often.

No European who knows the United States expects America to join actively in solving our troubles; but we hope for moral assistance in the spirit of Abraham Lincoln, who would never have permitted the destruction of a defeated nation, however great might have been his grievances. Victory was won in the war solely by the United States. Without American assistance the end would have been a draw, with all the advantages foreseen by Mr. Wilson in 1916. Nobody knows better than the writer of this article that the political mistakes of the military leaders of Germany drew the United States into the war, but the fact nevertheless remains that America alone won the war.

As the United States did not join the League it seems probable that the League will gradually turn more and more into a European institution. Agreement on the reparation question must naturally create a greater solidarity of the European interests. And some day the formation of the United States of Europe will prove inevitable, because Europe, under present conditions of mechanical development, is much too small for the old game of politics.

Besides moral assistance from the United States we hope for American participation in the international loan to Germany.

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Such action would not involve the United States politically, as the loan will be a very good business proposition once the reparation question is settled in accordance with international agreement.

Germany stands ready to do everything in her power to come to such an agreement, provided her territorial integrity and the unity of the nation is guaranteed by the League of Nations or by an international conference. Without such a guarantee no German Government would be strong enough to demand the necessary terrible sacrifices from the people. But if the Germans know that they are paying for the purpose of delivering their compatriots from foreign oppression they will bring forth sacrifices which will astonish the world. Unfriendly critics blame Germany on account of the spirit of reaction and revenge which is supposed to be rampant in the country. So far as it really exists, it is the result of the treatment which the territories occupied by France have suffered. *Sublata causa tollitur effectus.*

Germany realizes that France also desires guarantees. As far as the desired guarantees are connected with the inter-allied debts, Germany can do very little except pay a part, if not all, of the interest, although even this would be a violation of the preliminary treaty of peace signed by Mr. Lansing on November 5, 1919. It certainly would prove more beneficial if these claims were used by the United States for the purpose of obliging Europe to disarm. No government can be expected to cancel debts owing to it so long as the debtors have sufficient money for huge armaments for themselves and are even able to lend large sums to would-be great powers for the same purpose.

The French have reiterated over and over again their anxiety to secure a guarantee for the payment of the reparation debt and for security against a possible recurrence of war with Germany. A financial commission appointed by the League and composed of citizens of neutral states would in reality provide a far safer guarantee of payment than the continued seizure of German territory, which will become a drain upon French resources besides perpetuating the spirit of war and hatred. And from the point of view of security a Commission of Control would be equally effective, as it would be able to prevent any German Government from appropriating large sums of money for the re-arming of Germany. The idea of seeking security against

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Germany, the only country which has completely disarmed, seems rather ludicrous, considering that France is armed to the teeth and rules the whole continent of Europe with a rod of iron. However, the desire exists and must be satisfied somehow.

In reality there is only one way of preventing wars, and that is by promoting a real and sincere reconciliation between the nations. But France has had no leader like Abraham Lincoln, and so she has missed her great opportunity. This is the point where American moral influence is needed. The United States went into the war to make the world safe for democracy. But the after-war, which we call the Peace, has done everything possible to crush democracy in Germany and has created a worse militarism than has been known in Europe since the days of Napoleon I.

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WAR DEBTS, EXTERNAL AND INTERNAL

By Allyn A. Young

HOW far is it true that a large domestic or internal national debt, as contrasted with an external or foreign debt, is a relatively negligible burden? Does the payment of an internal debt, requiring merely the transfer of wealth or income from some persons to others *within* the same country, put no formidable strain upon that country's economic energies? How far is it true, by way of contrast, that Germany's capacity to make reparations payments, or the capacity of any nation to make large foreign payments, is narrowly and rigidly limited by its ability to maintain a favorable balance of commodity exports over commodity imports?

At first the very real differences between the burdens imposed by external and by internal debts were ignored in popular discussions and flouted in the policies of governments. That fact explains and justifies the emphasis competent critics, in increasing number, have put upon those differences. But despite the great value of the educational work they have done, some of these critics have drawn too straight a line between the two kinds of debts.

We may find a helpful approach to the problem if we look first at several different ways of appraising a country's ability to pay a heavy and burdensome foreign debt.

In the first place, there is the now familiar method which relies upon an inventory of a country's present foreign assets coupled with an estimate of its capacity to maintain a favorable balance of trade through a series of years. This latter estimate is generally based upon an analysis of the country's pre-war trade and its possible rate of growth, together with a consideration of the degree in which the war has affected the country's productive resources and its markets. This is the method used by Mr. Keynes in "The Economic Consequences of the Peace," and by Messrs. Moulton and McGuire in "Germany's Capacity to Pay." In competent hands it leads to important results. It is worth observing that, despite the highly conjectural character of some of the figures that must be drawn upon, the better estimates that have been made in this way are not far apart.

Such studies of a debtor country's possible balance of trade

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are indispensable. They are a necessary preliminary to any reasoned judgment upon that country's capacity to make foreign payments. But it is wrong to rest content with them,—to regard them as complete and adequate estimates of capacity to pay. They make no room for the play of various elastic factors. In particular they take no account of the readjustments in the economic and financial relations of the different nations of the world that are bound to be brought about as a result of the very operation of paying a heavy foreign debt.

In the second place, we may turn to the arguments of those who hold that the effort to pay a large foreign debt has the curious effect of greatly increasing the debtor country's real capacity to pay,—provided that the currency of the debtor country is inconvertible paper. Under such conditions, it is even contended, a country's ability to make foreign payments is really limited only by its ability to produce more than it consumes. The gist of the argument is as follows: To make payments on its external debt the government must buy foreign bills of exchange in large quantities. The price of such bills, and along with it the prices obtained (in domestic currency) for exported goods, will be pushed up rapidly, so that finally a considerable differential will be established between the general domestic price level and the prices that can be had for exports. This differential operates, so the doctrine runs, virtually as a bonus on exports. It will induce business men to turn a larger share of their energies to producing goods for the export rather than for the domestic market. Why should German producers, for example, sell goods at home when more *marks* could be got for them by selling them (or other goods produced at no larger cost) abroad for credits in dollars or pounds or francs which could then be sold to the government at high prices? So long as this bonus on exports can be maintained by the pressure of the government's continuing demand for the means of making foreign payments, so long, in a quasi-automatic way, the country's production of goods for the export market will be increased, while in equal measure its production of goods consumed at home will be decreased. Its capacity to pay, therefore, will be limited in the long run only by its maximum productive capacity on the one hand and its minimum domestic industrial and subsistence needs on the other.

Now this theory is based upon a perfectly sound principle, but

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it runs that principle into the ground by fantastically exaggerating its possibilities. The first of the two methods we have considered, taken by itself, is too inelastic. This second method errs in the other direction. It ignores a number of very important inelastic factors. It takes no account, for example, of the inelasticity of the demand of the world's markets for the exports of any one country or of the inelasticity of that country's demand for imports. It passes over the fact that a country like Germany must shape its exports very largely from imported raw materials and that the prices that must be paid for imported goods, in domestic currency, generally rise at least as rapidly as the prices that can be realized for exports. It disregards the way in which such price differentials react upon the whole structure of industry and finance within the debtor country. It forgets the inevitable lowering of the standard of living and the disintegrating effects of maladjustments in the delicate interrelations of the country's system of prices. Financial and industrial wreckage, rather than an increasing export surplus, is the certain result of the pressure of an unduly large foreign debt.

Furthermore, even though some of the advantages claimed might be secured by export industries if export and domestic prices and the differential between them could be maintained at a moderate and stable level, such advantages would disappear when, as would be inevitable, the export and domestic price levels continued to advance. An *increasing* differential between export and domestic prices will not always stimulate exports. Some exporters will prefer to wait for a higher differential later. Some importers, on the other hand, will be induced to bring in foreign goods, at whatever cost, in order to sell them later when the margin between the prices of imports and the general level of domestic prices is larger.

A third method of approach to the problem of the maximum manageable size of a foreign debt is suggested by the proposals that Germany's payment should be made in a lump by turning over shares in German industries to Germany's creditors. There have been some such proposals, on the part of Germans, that have had an official or semi-official character. A distinguished German statistician, Dr. R. R. Kuczynski, has gone even further, proposing a heavy capital tax upon German property of whatever sort, the proceeds, in the form of mortgages, bonds,

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shares, and the like, to be handed over *en bloc* in acquittance of reparations obligations.

It is going too far to hold that such methods of payment "do not constitute actual payments at all."[1] I do not suppose that it is claimed by Dr. Kuczynski or by others who have made similar proposals that a final or *economic* payment could be achieved by such a transfer. A *legal* payment might conceivably be made and a receipt in full secured by assigning or transferring securities which would themselves be nothing more than evidences of debt. A public debt might be converted into a mass of private debts. The contention merely is that the final economic settlement of the debt could be reached more easily and more efficiently if it were removed from the field of international politics, and if the mechanism of the payment were controlled by the free play of economic forces, rather than by the attempts of governments to collect the payments in one form rather than in another.

There is no reason to doubt the sincerity and good intentions back of these proposals, and it is in some respects a matter for regret that any large reliance upon such methods is neither wise nor practicable. The difficulties, both political and economic, are manifold. For one thing, the assets thus secured, if large and miscellaneous, would shrink greatly in value in the markets of the world.

Back of such proposals, nevertheless, there is a thoroughly sound notion which supplements and corrects the rigid export-surplus doctrine. If the reparations debt were fixed at a reasonable amount and if Germany were left free to find her own ways and means of payment, it is fairly certain that a situation would develop in the end which would somewhat resemble—though on a reduced and moderate scale—the situation which these proposals contemplate as the result of a single operation. By the time the reparations payments were completed, other countries —not Germany's present creditors alone—would hold considerable amounts of German securities, both public and private. In various ways, planned or spontaneous, a fairly large proportion of the reparations debt would be refunded into these other forms. Legal payment would be completed and the German Government acquitted of its liability long before the final economic payment had been made. Indeed, the continual shiftings of the

[1] Moulton and McGuire, "Germany's Capacity to Pay," p. 18.

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world's balances of international debts and payments might make it impossible to say with certainty at any one time that the final payments *had* been made.

It is likewise difficult to think that France will receive any large part of her share of reparations in the form of such manufactured goods as Germany might produce. It is distinctly more probable—her own external debts aside—that France's increased imports, like Germany's increased exports, would be diffused over the whole surface of world trade, and that her foreign holdings of various sorts, her investments in other parts of the world, would be measurably increased, although not necessarily in exact proportion to the increase of Germany's "refunded" foreign liabilities. Such changes in the world's international balance sheets would, beyond doubt, react upon and modify the currents of international trade in commodities,—but the discussion of such matters would take us far afield.

All of the differences between external and internal debts are bound up with the fundamental fact that the former call for foreign payments. Such payments create problems in foreign trade and foreign exchange. So long as the payments continue, the debtor country, except so far as it can refund the debt, must produce more than it can consume or add to its accumulated domestic capital. The monetary units in which payment must be made and which therefore measure the amount of the debt are not within the arbitrary control of the debtor government. Domestic inflation makes these foreign monetary units dearer, not cheaper. Deliberate repudiation, complete or partial, of external debts is not, as a rule, practicable. Such are some of the more important characteristics which external debts have, but which internal debts lack.

Let us turn now to points which they have in common. We note, in the first place, that the payment of an internal, as of an external debt, requires taxation, calling for sacrifices and exercising a repressive effect upon trade and industry.

In the second place, there is an analogy—not merely fanciful, although it would be easy to push it too far—between a country's taxpayers and the holders of its internal debt, on the one hand, and debtor and creditor countries, on the other. Taxpayers and holders of the public debts are, in part, two different groups. The interest and principal of the debt enter into the balance of payments as between the taxpayers and the owners of govern-

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ment securities. For many years the taxpayers, as such, must produce more than they can consume or save, while the government's creditors will receive more than, at the time, they are producing. If the debt absorbs any large proportion of the national income, as in France, England, and other European countries, the resulting reactions upon the distribution of incomes, upon the general standard of living, upon the demand for goods, and upon the general structure of industry, may be considerable. Much depends, of course, upon the way in which the burden of taxation is apportioned, upon whether taxes fall more or less heavily upon necessities, upon luxuries, upon incomes, or upon accumulated capital. But at the best the strain upon the country's economic activities is likely to be heavy, even though the complications and special difficulties attending transactions in foreign exchange are absent.

In the third place—and this I believe to be the most important point of similarity—heavy internal debts, like external debts, strike at the heart of a country's economic life by bringing disorder into its currency. That inflation, unbalanced budgets, and disordered exchanges have been among the chief factors delaying Europe's economic recovery is pretty generally known, but it is not so well understood as it should be that the sequence of cause and effect, particularly in the period following the war, has not been inflation, unbalanced budgets, disordered exchanges, but unbalanced budgets, disordered exchanges, inflation.

Before the war the world had an international money—gold—which not only stabilized (albeit imperfectly) but tied and held together the currencies of the great commercial countries. The mechanism of international payments operated with deceptive ease and smoothness. The price system was, in very large measure, international. The market for loanable funds, whether of long or short maturity, was also, in a very considerable degree, international.

At present a large part of the western world is cut up, artificially, into separate economic districts within which purely national currencies rule. The worst thing about these new artificial barriers is that they fluctuate continuously and uncertainly,—inviting hazardous speculation, but discouraging the steady flow of trade.

The war was financed, as we know, partly by taxes and to

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some extent by voluntary savings, but mostly by diluting the purchasing power of money. Inflation was the mechanism by which war debts, we might say, were created. All this is now very generally understood. But there appears to be no adequate appreciation of the intimate and necessary connection between debt reduction, on the one hand, and the deflation and stabilization of paper currencies, on the other hand.

This relation between debts and the status of paper currencies holds whether the debts be external or internal, although the mechanism by means of which the increase or decrease of the debt operates upon the currency is different in the two cases. Consider, for a moment, some of the monetary effects of a burdensome foreign debt. The wrecking of Germany's monetary system affords an instructive example.

The Government's demand for foreign funds, added to similar demands on the part of importers and of others having foreign payments to make, was greatly in excess of the available supply. The only way of securing foreign exchange was to bid its price up to a point where some of the competing demand was eliminated. The price of dollars, of sterling, and of francs went up out of all proportion to the difference between the domestic purchasing power of marks within Germany and the domestic purchasing power of the other currencies in the countries in which they circulated. But the prices in marks of imported and exported goods—of goods, that is, for which there is an international market—were driven rapidly up by the advance in the price of foreign exchange. Tied to the prices of the international market in a thousand indirect and intricate ways, the domestic price level, though until recently lagging considerably behind, advanced haltingly but irresistibly. Inflation, though accelerated by an unbalanced budget, followed—it did not precede—the advance of prices. During the past four years the per capita circulation of money in Germany, measured in terms of its domestic purchasing power, has been much smaller than before the war. Measured in terms of its gold value the shrinkage of the currency has been even more striking. In large measure inflation has been the result rather than the cause of the depreciation of the value of the currency.

I have reviewed these matters again in order to give point to the emphasis I shall put upon what I believe to be the indispensable key to an understanding of the vagaries of the behavior

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of the depreciated currencies of Europe. I refer to the dominating part played by speculation. It makes all the difference in the world whether men's actions are prompted by the belief that a depreciated currency will increase in value or by the belief that its future trend will be downward.

The turning point in Germany's financial fortunes came in the first half of 1922, following upon the adverse decision with respect to Northern Silesia, late in the autumn of 1921. Up to that time many people in and out of Germany had maintained a persistent if unreasoned faith in the future of the mark. That circumstance measurably retarded the inevitable decline of the mark, and did much to lighten Germany's financial burden. It made exports of German goods larger than they would otherwise have been. It led people in other countries to make large speculative purchases of marks and of securities payable in marks. It was one of the things that induced persons in other countries to invest heavily in German property. During that period, it is safe to say, Germany's imports of capital, in various invisible forms, were distinctly larger than her invisible exports. Part of the favorable balance was available for reparation payments.

This misplaced confidence in the future of the mark waned rapidly after the failure of the attempt to stabilize its value in December, 1921, and a complete reversal of the general trend of speculation followed. With a bear market for marks the difficulties of the German Government were multiplied. Then came the unrelenting drift of events into the reparations crisis of a year ago, with its costly and ominous sequel.

With the conviction once established that the value of the mark, in terms of other currencies, was bound to continue to depreciate, its depreciation was accelerated. Commodity exports were retarded and imports stimulated. The direction of the current of invisible elements in the balance of international payments was reversed. Capital began to flow out of Germany more rapidly than into it. The rapid decline of the mark under the pressure of these forces only added to their strength. The mechanism of financial disintegration worked in a cumulative way.

Some absurdly exaggerated stories are afloat respecting the amount of German capital that has gone during the last year and a half into bank deposits and into the purchase of securities in the United States, Canada, Switzerland, and other countries

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with relatively stable currencies. But underneath these exaggerations there is reasonable ground for presuming that Germany's exports of capital have been significant in amount.

We do not have to attribute these developments to a concerted plot on the part of German business men, abetted by the German Government, to evade their reparations obligation. It is reasonably certain, of course, that the fear of drastic taxation helped to create a preference for foreign holdings. But the major compelling force back of the export of German capital has been the loss of confidence in the mark. The particular methods by which such transactions are effected do not matter greatly. The general result is that the foreign credits created by exports and in other ways are allowed to remain abroad instead of being offered for sale to the government. In any case the transaction is essentially a bear operation in marks. As such it is easily explainable. It is wrong only in so far as it involves a violation or evasion of the laws regulating the purchase and sale of foreign bills of exchange.

I cannot believe that the real attitude of the French Government toward this matter, or, at any rate, the attitude of the economic advisers of the French Government, has been correctly reported, or that it is adequately expressed in the official statements of that government. A very definite impression has been given that the French Government objects to the removal of "wealth" from Germany, and that it insists that ways and means of bringing it back again must be found. This, it appears, is a problem upon which one of the committees of experts now attached to the Reparations Commission is at work. On the face of it this attitude is paradoxical, for so long as German wealth remains in Germany it can be used only with difficulty for reparations payments. German-owned dollars, francs, and sterling, on the other hand, are precisely the stuff out of which reparations payments can easily be fashioned.

The real ground of the French complaint must be that these privately-owned foreign funds, which have been accumulated at such heavy cost to Germany, might, at no greater cost, have been acquired by the German Government and then applied to the payment of reparations. The French Government does not really desire that these foreign funds be brought back into Germany in the form, let us say, of imports of merchandise. Its real and legitimate interest is that the German Government

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should be able in some way to possess itself of these foreign assets and turn them over to Germany's creditors.

It is impossible that this legitimate end should be obtained by ferreting out these foreign holdings or by any amount of pressure and intimidation. But it would be accomplished promptly and easily if a stable monetary system could be established in Germany. With the motive for the concealment and expatriation of funds destroyed, the German Government could get hold of them by paying a fair market price in German currency.

It will be granted, perhaps, that the history of the German mark illustrates and confirms the principle that a stable currency and an excessive external debt are incompatible. A similar relation holds as between a country's currency and an excessive internal debt, although only a part of the mechanism by which external debts affect the price level operates when the debts are internal. An excessive internal debt makes it difficult to balance the budget, and an unbalanced budget calls for further advances by the banks, or for further sales of government securities, attended by an increase in the volume of bank credit. These new creations of purchasing power, as we know, exert a continued upward pressure on prices.

Here again, speculation plays a very important part. The movement of prices in a period of continuing inflation is not a direct effect of the sheer mechanical impact of the offer of new supplies of money in the market for goods and services. Speculation anticipates these consequences, and, by anticipating them, puts into operation a new mechanism of its own. Except in the initial, and perhaps the very last, stages of inflation, the price of foreign exchange and of imports and exports generally keeps in advance of the general movement of domestic prices, even when external debts are not exerting a steady pressure upon the foreign exchange market. The general level of domestic prices, though again lagging behind, follows the course marked out for it by the appraisal of the value of the country's currencies in the international market. Thus, for example, fresh issues of paper money to cover a deficit in the budget may, merely by altering the expectations people have formed respecting the deflation or stabilization of the currency, lead to a sharp advance of prices, which in turn will call for and in a manner justify further creations of bank credit. In a similar way, any really effective steps taken toward deflation will produce a powerfully cumulative

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downward influence. Under a régime of inconvertible paper money, it is barely a step from a stable to an extremely unstable equilibrium. So far as I know, all of the world's experience with inconvertible paper money illustrates and confirms these principles.

The bearing of these considerations upon what we may call the international problem of national debts is obvious. The stabilization of European currencies (I do not mean their drastic deflation), is the indispensable prerequisite to the economic recovery of Europe. The one indispensable instrument of stabilization is the balancing of budgets. The burden of debts, external and internal, blocks the way. If the debts can be taken care of, the monetary situation would take care of itself. This is what makes of national debts, seen as an aggregate, an international problem,—and no shutting of our eyes to it will alter the fact.

I am not one of those who believe that the payment of the interest and principal of an international debt does more harm than good to the nation receiving the payment. Nor do I believe that the payment of an international debt strengthens rather than weakens the nation making the payment. But I am convinced that the present debts of European nations, including reparations, interallied debts, and internal debts, are so large that, as they now stand on the books, they cannot be paid in full. Moreover, no considerable part of them can be paid without perpetuating and perhaps increasing the disorders of the currency. There is, I grant, one possible alternative. These debts might within the next generation be reduced to manageable proportions by the persistent use of taxation of unprecedented severity. I doubt that this is politically practicable. Even if it were, I doubt that the game would be worth the candle. There would be long periods of business depression, lowered standards of living, and new injustices in the distribution of wealth. It would be better to release the world's economic energies; to permit deflation to be accomplished, so far as it is desirable, by increasing the volume of production and trade rather than by drastic reductions in the volume of the currency.

On the whole there is less pessimism respecting the general economic condition of Europe than there was a few years ago. Despite the enforced retrogression of Germany during the past year, Europe as a whole continues to go forward and not back-

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ward. But her complete recovery will be delayed indefinitely if there are to be either further increases of debt and further inflation, or a steady general reduction of debts and deflation of currencies.

The whole subject of international debts, including their relations to internal debts, would profit by a candid and open international discussion. The central unifying theme which would bind the different parts of the discussion together would be the stabilizing of the world's currencies so as to get rid, so far as possible, of the distorting and destructive influence of international currency speculation, and to provide a dependable mechanism of international payments.

The United States cannot always hold itself aloof from such discussion, if only because, as the ultimate creditor, it holds what may prove to be the master key to the whole problem. I do not question the present wisdom of the policy regarding the debts owed to us which President Coolidge has reaffirmed. The debts of other countries as well as of England are valid and binding international obligations. We are right in insisting that they be recognized as such, that they should be rated higher than a mere offset to Class C German reparations bonds. But it is one thing to consolidate our power; it is another thing to use that power wisely.

These considerations gain weight from the fact that the uncertainties of Germany's creditors respecting the relative status of one as compared with that of each of the others have done as much to delay a reasonable solution of the reparations problem as have their doubts concerning Germany's attitude, and more than any disagreement respecting the aggregate amount Germany can pay. Reciprocal jealousies, disputes over priorities, maneuverings for positions of advantage, are dominant elements in the sorry history of the last four years. Reparations are hardly more an issue between Germany and her joint creditors than they are a bone of contention among the creditors themselves. Each of the creditor countries appears to have been mainly concerned, first of all with small immediate gains that could be used for political window-dressing at home, and, second, with the ultimate *net* advantage secured.

My argument does not necessarily lead to the conclusion that our own claims should ultimately all be cancelled. It merely means that they should not be viewed as a separate, inviolable,

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and sacrosanct item, as something apart and distinct from the general structure of external and internal debts. We should be candid enough to admit that in this, as in other ways, the reparations problem is in part our problem, that it is part and parcel of the problem of the whole international debt structure and its future. We should be prepared to make whatever modifications and adjustments are necessary to bring the whole body of debt into manageable form. Along that course lie our own interests, as well as those of Europe.

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THE MEMEL CONTROVERSY

By John A. Gade

THE little town of Memel lies in the southeast corner of the Baltic at the northern outlet of the large, shallow Kurisches Haff. An ever-shifting sandbank, a little more than a mile in width, separates the lagoon from the sea excepting in front of Memel, where the wide Niemen River (known as the Memel in its lower course) breaks through the sandbank as it empties into the Baltic.

Teutonic Knights of the Order of the Sword built a fortress on the site of the present city of Memel in the thirteenth century, and throughout the Middle Ages the Niemen was navigated by traders with Lithuania and White Russia. In later times, as the most northerly city of East Prussia, Memel lay in an isolated cul-de-sac, separated from its natural sources of trade and supply. Tilsit, of Napoleonic fame, about forty-five miles further up the river, had quite another importance. Koenigsberg, further to the south, threw Memel into the shade as a valuable fortress, and like Dantzig had a harbor with which Memel could not compete.

Memel was equally insignificant in comparison with the Russian Baltic ports of Libau and Riga. Her harbor equipment was old-fashioned and inadequate, her port was shallow, and before her separation from Prussia her budget showed a large deficit. As she belonged to Prussia, Russian-Lithuanians preferred to ship through Libau and Riga, while Koenigsberg was the natural outlet for Germany's eastern provinces. With a population of some 30,000 and her commerce in the hands of a provincial chamber, Memel's small lumber merchants carried on business principally with Germany. The lumber which had been floated down from Kovno, Vilna, and Grodno, and the vast Russian forests to the southeast, was shipped to England as well as to the Rhenish cities via Dutch ports. They also exported flax, seed, cereals, and cattle, and imported oil, British coal, and Norwegian chemical fertilizers. Owing to political conditions no railroad connected Memel with her hinterland. The only line ran south to Tilsit, though during the war the Germans built another line north through Polanga, connecting at Prekuln with the Libau-Mitau route. But though Memel was always a Prussian step-child, the Russians regarded her with covetous eyes.

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Memel—or in Lithuanian, Klaipeda,—awoke after the World War to find herself famous as an apple of discord. In the great European vivisection which took place at the Peace Conference the city and a narrow strip of territory to the southeast, situated on the right bank of the Niemen, were separated from the Ger-

THE MEMEL TERRITORY

man Empire. The total area thus separated was some 945 square miles, with a population of about 150,000.

Article 99 of the Treaty of Versailles stated:

"Germany renounces in favor of the Principal Allied and Associated Powers all rights and title over the territories included between the

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Baltic, the northeastern frontier of East Prussia as defined in Art. 28 of Part II (Boundaries of Germany) of the present Treaty and the former frontier between Germany and Russia. Germany agrees to accept the settlement made by the Principal Allied and Associated Powers in regard to these territories, particularly in so far as concerns the nationality of the inhabitants."

To Count Brockdorf-Rantzau's protests, the Allied and Associated Powers replied:

"The Allied and Associated Powers reject the suggestion that the cession of the district of Memel conflicts with the principle of nationality. The district in question has always been Lithuanian; the majority of the population is Lithuanian in origin and in speech and the fact that the city of Memel itself is in large part German is no justification for maintaining the district under German sovereignty, particularly in view of the fact that the port of Memel is the only sea outlet for Lithuania. It has been decided that Memel and the adjoining district shall be transferred to the Allied and Associated Powers for the reason that the status of the Lithuanian territory is not yet established."

While other portions of Germany (as for instance North Schleswig and the Polish Corridor, with Dantzig) could be placed at once under some government or sovereignty satisfactory to the Allies, if not to the districts themselves, Memel-land could not be transferred to Lithuania because the *de jure* recognition of that country by the Powers was continually delayed by Lithuania's quarrel with Poland and the dispute of those two states as to their precise frontiers. The temporary administration of Memel-land early in 1920 was entrusted to the French General Odry, supported by a battalion of Chasseurs Alpins. This military occupation proved unfortunate, being galling to Lithuania and a thankless task for the French, who at first were accused by the Lithuanians of following too closely the advice of the pro-German Landes-Directorium, and later of yielding to the local Polish military and civil representatives. The suppression of the local Lithuanian press only made matters worse. General Odry left in disgust, handing over his powers to M. Petisné, as High Commissioner.

While negotiations between Lithuania (recognized *de jure* December 20, 1922) and the Allies were dragging on interminably, the German population of the city did its utmost to further the creation of an independent Memel state, somewhat

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analogous to Dantzig, being convinced that this was the shortest road to reunion with Germany. The Polish residents, on their part, hoped in some way to dislocate the newly-created Lithuanian machinery. And the Lithuanians themselves, forming some 125,000 of the total population of Memel, were "spoiling for trouble." There existed stagnation in the port's trade, onerous custom barriers between the territory and Lithuania, smuggling on all sides, and a diversion of Lithuanian traffic to Latvian and German ports.

Finally, on January 10, 1923, the Lithuanians took matters into their own hands. They contended that the government, composed of Germans and Germanized elements, made life in Memel unbearable; that for four years the legitimate aspirations of the Lithuanian majority in the territory had not been taken into account; and that the High Commissioner was favorable to the creation of Memel as an independent free state, quite separate from Lithuania. Flouting the authority of the League of Nations as completely as had Zeligouski in seizing Vilna, the so-called "Committee for the Welfare of the Territory of Memel" seized the city and interned the French soldiers after an engagement in which there were a few casualties on each side. Telegraph wires between Paris, Geneva, Memel, and Kovno buzzed, and the Allied representatives at Kovno remonstrated. The Lithuanian Government at Kovno,—though protesting its innocence,—was accused of having smuggled its soldiers, ammunition and funds into Memel-land in order to bring about the *coup-de-force* and was held responsible for the whole outrage. Most of the funds were alleged to have come from Lithuanian-Americans. Meanwhile, a local diet consisting of representatives of the whole territory's various organizations met at Heydekrug, and after providing for a certain amount of local autonomy voted unanimously for the union of Memel with Lithuania. Lithuanian currency was introduced, the Memel-Lithuania frontiers and the independent Memel customs duties were abolished. Allied men-of-war then arrived before the city, but, failing to intimidate the Lithuanians, were withdrawn, as were also the members of the French garrison. The next step was the appointment of an extraordinary inter-allied commission, which after much labor entrusted the administration of the territory to a body controlled by the Lithuanians.

On February 16, 1923, the Conference of Ambassadors decided

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to transfer to Lithuania the rights and titles held in Memel by the Principal Allied Powers, on the following conditions:[1]

"1. The renunciation in favor of Lithuania of all rights and titles over the territory defined in Article 99 of the Treaty of June 28, 1919.

"2 The establishment in the Memel territory of an autonomous government and popular representation, together with institutions officially recognizing the two languages in common use and respecting the principle of equality of all the inhabitants, whatever their race, language or religion, as well as promising equality of treatment as between nationals and foreigners in the exercise of civil rights and in commerce.

"3. Organization of freedom of sea, river and land transit, due regard being paid to the interest of the Lithuanian and Polish districts for which Memel is the natural outlet; the port of Memel to be placed under an economic administration, which will continue its development and which will provide every guarantee (in particular by the establishment of a free zone and by the appointment of duly qualified representatives) that the Lithuanian and Polish districts concerned will be given at Memel the necessary commercial facilities.

"4. The Memel territory to refund, under the guarantee of Lithuania, the expenditure incurred on account of its administration and occupation, and not yet recovered.

"5. All goods and property situated in the territory and formerly belonging to the German Empire or to other German States to be transferred to Lithuania or to the territory, provided that Lithuania take over for herself and for the territory the charges laid down in Articles 254 and 256 of the Treaty of Versailles.

"6. As soon as Lithuania accepts sovereignty of the Memel territory upon the foregoing conditions, the Conference of Ambassadors, with the assistance of representatives of Lithuania and of the territory concerned, to draw up at Paris an Organic Statute for the Memel territory and conclude a Convention with Lithuania in conformity with the present decision."

These conditions were accepted by the Lithuanian Government and negotiations were at once opened between the Conference of Ambassadors and representatives of the Lithuanian Government and of the population of Memel with a view to the preparation of a Convention establishing the definite status of the Memel territory. The negotiations continued during the

[1]See "Documents Diplomatiques: Question de Memel," Vol. I., published by the Lithuanian Republic, Kaunas, 1923, p. 92.

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spring and early summer of 1923. Finally a draft convention was submitted by the Commission representing the Conference of Ambassadors. Lithuania withheld approval on certain points, but on other points, many of them most important, full agreement was reached. The points agreed upon were as follows:

Memel should constitute, under the sovereignty of Lithuania, a territory enjoying legislative, judicial, administrative, and financial autonomy within certain prescribed limits.

The Lithuanian Government should be represented at Memel by a Governor appointed by the President of Lithuania.

The Council of Ministers of Lithuania should include a Minister for the Affairs of the Memel Territory.

The Government of Memel should be representative, and democratic; both the Lithuanian and German languages should have official recognition; all inhabitants should be equal before the law; there should be freedom of press and meeting, and foreigners and natives should have equality of treatment both as to civil and commercial rights.

The governing body should consist of an economic Council of Surveillance with the following members: the President of the Directorate, the Mayor of the Town of Memel, the President of the Chamber of Commerce, the Chief of the *Landesrat*, and the Presidents of the Chamber of Agriculture and the Workmen's Cartel.

The port of Memel should be governed by an economic administration and a free water and dock zone should be established for the loading, unloading and storage of articles in transit. The port should be considered a port of international concern and should be regulated by the recommendations relating to ports adopted by the Barcelona Convention.

All the states whose commerce must traverse the territory of Memel should be assured a free passage by water and rail for transports coming from or going to Memel, or in transit through its territory, in conformity with the statutes of the Convention of Barcelona. Postal and telegraphic communication should be insured the same freedom of passage. All states should have the free use of the port, its free zone and its navigable routes for imports as well as for exports. Timber, and particularly that coming from the Niemen basin and imported into the Memel territory, should be free of all customs duties and other taxes, excepting such amounts as are chargeable to surveillance and administrative expenses.

But regarding those specific clauses of the draft convention dealing with the protection of Polish interests Lithuania remained adamant. In one respect only was she willing to make a concession in the interests of the economic revival of Europe,

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namely, in agreeing to restore promptly the freedom of timber-floating on the Niemen.

The Lithuanian Government being unwilling to sign the entire proposed convention (and attached protocol), and the Council of Ambassadors rejecting Lithuania's amendments as embodied in a modified convention (September 21, 1923), Lithuania now suggested submitting the entire matter to the Permanent Court of International Justice.

The Conference of Ambassadors, however, adopted a resolution towards the end of September in which it enumerated at length the various reasons why it felt the Lithuanian Government had rendered impossible the transfer of Memel to Lithuanian sovereignty. It announced its decision to exercise its friendly right, under Article 11, Paragraph 2, of the Covenant, to call the attention of the League of Nations to the matter. This having been done, the Council of the League just before Christmas decided to appoint a Committee to report (if possible before the March, 1924, meeting of the Council) a practicable basis of compromise. This Committee, it was arranged, should consist of an American chairman and two other members from nations other than those at present holding sovereignty over Memel. It was stipulated that the last two should have special technical knowledge of the problem.

The United States having up to the present time declined to join the League of Nations, no official request for the nomination of the American delegate could be made of the State Department. The League instead turned directly to former Under-Secretary of State Norman H. Davis, who fortunately felt it his duty to accept and so indicate American sympathy with the League's work. He therefore has now gone to Memel in a private and quasi-arbitral capacity. No better choice could have been made.[2]

The basic reason why the Memel question remains unsettled lies in the Polish-Lithuanian controversy. The bitterness engendered by this quarrel has during more than four years poisoned the relations of the two neighbors, who once had been united for over three hundred. Without some form of compromise or reconciliation between them the status of Memel cannot be defined. Both have refused to see the reasonableness of a certain

[2] It has recently been announced that the other members of the commission are A. J. Kroller, of the Economic Council of the Dutch Foreign Office, and Dr. Hoermelle, a Swede.

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amount of economic federation. Though the immediate issues involved may not appear large, their non-settlement is having an unfortunate effect throughout the whole Baltic region and the dispute might easily once more light the torch of war in that part of Europe. Up to the present, Poland and Lithuania have refused to attend simultaneously the several important Baltic conferences which have taken place. Both sides are naturally at fault. It was more than galling to Lithuania to lose her largest city and ancient capital, Vilna, as well as large tracts of her southeastern territory. She lost them despite the decision and protest of the League of Nations. On the other hand, she has indignantly repulsed every subsequent overture towards peace on the part of Poland.

Possibly the failure of the Council of Ambassadors to bring about a settlement between Poland and Lithuania has been due to the fact that the Council has made the mistake of assuming some sort of union between the two states as a basis of understanding. This may be highly desirable in the future, but today it is politically impossible owing to Lithuania's distrust of Poland and her yearning for complete independence.

There is no actual fighting going on at present between Poland and Lithuania, but the frontiers are still guarded by troops. The Lithuanian Government insists that a state of war still exists between the two countries, and systematically repulses all proposals to establish diplomatic and consular relations. Lithuania blocks the Niemen and opposes the opening of the Polish-Lithuanian frontier. She will not even allow postal or telegraphic communication with Poland. No Polish citizen is allowed to enter Lithuania and, consequently, no Lithuanian can go to Poland. Lithuania does, however, promise to open her frontiers as soon as the Vilna question is settled.

Poland rather smiles at the attitude of her less powerful neighbor and declares that she cherishes the most peaceful and fraternal feelings towards the Lithuanian people. Her representative at Geneva, M. Skirmunt, has stated that "events, however, are often too strong for mankind and the unnatural situation might one day compel the Polish Government to take seriously the Lithuanian Government's assertion that Lithuania is in a state of war with Poland."[3]

[3]Minutes of the Twenty-seventh Session of the Council of the League of Nations, 10th Meeting, Dec. 17, 1923.

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In this situation, the Council of Ambassadors has felt it clearly necessary before handing Memel over to Lithuania to determine not only the international rights of the countries not directly concerned in the dispute, but in particular the rights of Poland. The latter state advances no territorial claims to Memel and has stated that she will not cease seeking a peaceful solution of the Memel question, her only claims being based on the observance of Articles 99 and 322–44 of the Treaty of Versailles. Wishing, however, to make the most of the situation, Poland has not been backward in estimating the importance of her interests in the matter. She has urged that Memel constitutes the natural and sole outlet for about 60,000 square miles of territory belonging to Poland, as against some 20,000 belonging to Lithuania; that the grant of a privileged political position to Lithuania at Memel would render any economic collaboration impossible for Poland; that much of Poland's trade which now goes to Dantzig should naturally go to Memel; that Poland has no ports of her own; that one-third of the Lithuanian forests previously exporting through Memel were destroyed by Germany; that the rights of Poland, as well as of all other states, would be best protected in the port of Memel if it were controlled by the Council of the League of Nations and if a free state, somewhat similar to Dantzig, were created under the League's protection; that Poland could supply Memel with well nigh all her requisite imports, either by water or by the two connecting Polish railways; and, finally, that "Memel could not exist without economic relations with Poland."

Such arguments make the Lithuanians see red. One thing is certain, namely, that Memel cannot exist without economic union with its hinterland. The Niemen is the main artery of Lithuania. It was declared international by the Treaty of Versailles. Poland, Lithuania, and Germany all have territory along its banks and Russia also has an interest in its remaining open. The city of Bialystock, one of the centers of the Polish textile industry, is closely connected by rail with Grodno on the Niemen and is thus considerably concerned in the navigation of the river. Through its various canals the river is navigable by 300-ton vessels as far as Kovno, where it divides, the larger branch continuing south through Grodno into the heart of Poland, and the smaller, or Vilija, flowing east past Vilna. The larger portion of its Polish course is unnavigable.

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The safeguarding of the international interests of both port and river is obviously essential, and some progress has unquestionably been made towards this end. A free zone for the city has been determined upon, and the necessity for a harbor board is recognized. (Although the Lithuanians prefer that this be named an "Advisory Economic Committee" and dispute over its composition.) The Lithuanian Government has, in general, shown itself willing to give the territory considerable political independence of a local nature, reserving to itself at the same time the economic control of the port. Transit facilities connecting port, river and adjoining territories, and true freedom of communications both by land and water, have also been agreed upon. In the development of Lithuania's commercial relations with Memel a direct railroad connection is the first and most important requisite. Such a connection has been planned by Lithuania for the immediate future. Not only will Kovno be connected with Memel, but it also will be linked up with the present Libau-Dvinsk line. But as Lithuania considers a state of war to exist between herself and Poland, the latter, according to Lithuania's contention, cannot yet benefit by any clauses now agreed upon. The Lithuanian position is that "Polish rights cannot be discussed in connection with the Memel question."

Lithuania's interests in the matter are by far the greatest. On the other hand, the present corridor and outlet to the sea through Dantzig seem to Poland none too permanent, added to which she considers that Memel is a necessary outlet for her White Russian territory as well as for the Vilna regions. Latvia would prefer that Lithuania be without a port of her own and consequently compelled, as has recently been the case, to pay some 35,000,000 gold marks a year in duties at the Latvian port of Libau. Germany is naturally highly interested in her lost Prussian city and Tilsit's water route. France's sympathies are Polish because she wishes to see strong barriers friendly to French policies erected between Germany and Russia. England sides with Lithuania.

Soviet Russia, temporarily acquiescing in the independence of her former Lithuanian province, does not wish Poland to have the disputed territory; as a matter of fact, Memel, though ice-free, is not nearly so important to Russia's future economic development as Libau, Riga, and Reval. The Soviet Government

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has several times intimated to the Council of Ambassadors and the League of Nations that its interests and rights in the Memel question must be recognized, and after the Council of Ambassadors had settled on the present Committee it officially notified the Council, early in January, that it would in no way recognize any status that might be decided upon for Memel "by the so-called League of Nations" if Soviet Russia were not first consulted.

The ideal solution is some such union or understanding between Poland and Lithuania as M. Hymans labored so hard to bring about. It is tolerably certain, however, that Poland will not evacuate Vilna. Lithuania might perhaps acquiesce in the Allies giving to Poland a clear title to Vilna in return for the cession of a portion of the southeastern Lithuanian territory now occupied by Poland, coupled with a satisfactory title to Memel. But it is difficult to prophesy.

The status of Fiume, where passions ran equally high, has at last been settled. If a solution of the status of Memel is found, as a result of American diplomacy and sympathy, we shall not only have added greatly to our country's good name in this troubled corner of Europe, but an important forward step will have been taken in the interests of peaceful coöperation and economic recovery.

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RUSSIA AT THE CROSS-ROADS

By Boris Bakhmeteff

The extent of human life is but a point;
Its substance is in perpetual flux.
—MARCUS AURELIUS.

THE word in vogue today regarding Russia is "evolution." That impulses toward recovery are at work appears to be a generally accepted fact, but there is less unanimity in interpreting the import of the movement, in particular in defining the very nature of the "evolution." It is often assumed that the original creed is being abandoned and that there is a drift toward more moderate doctrines. The process, when viewed in this light, might indeed be termed the "evolution of Bolshevism." The fault of such a diagnosis lies in confusing cause and effect. A change for the better in Russia is an indisputable fact. The country is recovering from the epidemic, albeit slowly, and is exhibiting signs of hopeful vitality. The revival, however, is not to be credited to a varying in the dogma of the Communist party. Communism has not tempered its essence. It has only adapted itself to circumstances. The "shift" is a temporary expedient, adopted to weather a passing condition, and not an abnegation of principle dictated by evolution of conviction.

It is only fair to say that the Communists themselves have never tried to mask the main issue. "We are revolutionists from head to foot," said Trotsky, addressing the Ukrainians in April, 1923; "revolutionists we were; revolutionists we are; revolutionists we shall remain until the very end."

The real source of change in Russia is life,—life conquering regardless and in spite of the Communist rule,—life asserting itself through common sense, through economic law, and the habits of human nature. The process can be best described as "assertion of life." Just as a convalescing organism overwhelms the noxious bacilli by the infinite resources of the recuperating cells, so Russia gives evidence of an "evolution of life" contrary to the "evolution of Bolshevism." It is not Communism repentant, taking the lead in a promising transformation. Communism, impenitent, is forced to yield to life triumphant.

The analysis of Russia's internal situation should begin in the

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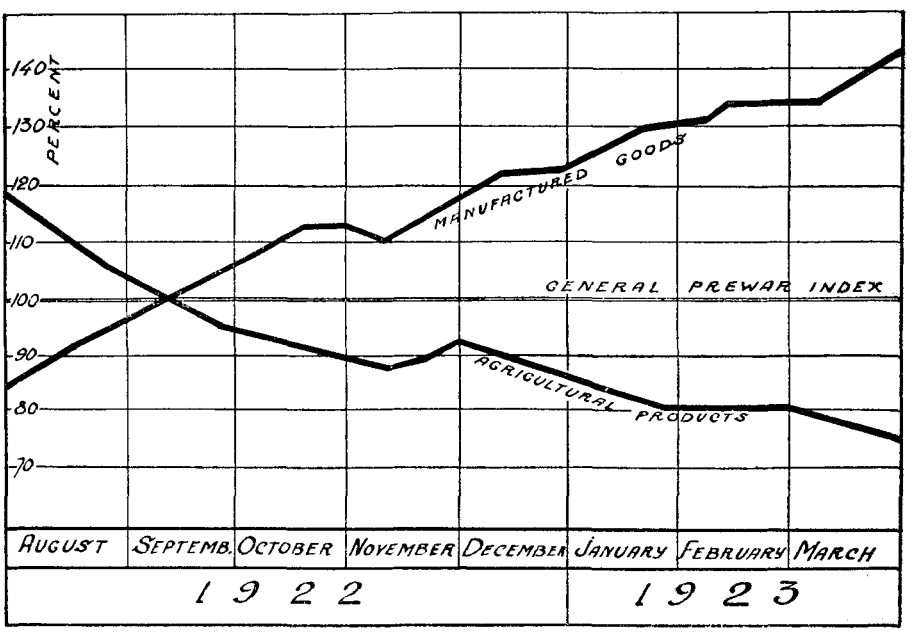
economic field, for there the forces of life have been most apparent and have produced the most fruitful results. The central feature in the present situation is a catastrophic disparity between agriculture and industry. It is revealed in the continuous rise in price of manufactured goods and the precipitous decline in value of agricultural products. The accompanying chart gives an illustration of the movement up to the time of the 12th Communist Congress in April, 1923. The criss-cross of manufactured and agricultural prices illustrates the term "scissors," used in Bolshevist vernacular to describe the condition.



THE "SCISSORS,"
INDICATING THE MOVEMENT OF PRICES IN RUSSIA

The opening of the "scissors" meant the depreciation of the value of peasant agriculture and entailed an inability on the part of the farmer to purchase much needed goods. The *Izvestia* of September 11, 1923, spoke of Soviet warehouses stocked with agricultural implements which, due to prevailing prices, were out of reach of the peasants. A plow, priced before the war at 30 rye units, at present costs 140. Comparative prices, measured in units of rye, were given in the *Izvestia* of November 7, 1923, as follows: Salt—1913, 14 units; 1923, 248 units. Textiles—

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1913, 7.2 units; 1923, 63 units. Sugar—1913, 6 units; 1923, 52 to 63 units.

"Close the scissors," has been the slogan for the past year. Another expression is "link city and land." "The present crisis is far deeper than any Russia has passed through before," said Rykoff, Soviet Commissar for Industry, addressing the Moscow Red Directors on November 18, 1923. "It has developed in the most vital point not only of our economic but also of our political system, as it does not allow the carrying out of the aims of the Soviet State in the realm of relations between classes." Rykoff refers to the bearing of the crisis on the problem of handling the peasant, which is the crux of the situation. "In the final account," said Lenin in his message to the 12th Communist Congress, "the fate of our republic will depend upon whether the masses of the peasantry will go hand in hand with the working class." So important, indeed, is the peasant problem in the Russian situation, and so little is it understood, that a detailed analysis of it appears in order.

The Nep, or New Economic Policy, was inaugurated in March, 1921, at the 10th Congress of the Communist Party. In the realm of high politics it was an expedient called for by the "slow tempo" of world revolution. Its real basis, however, lay in the failure of the Communists to master the peasant problem.

1918–20 was an epoch of unremitting effort to communize peasant Russia. Storm centers were created in the villages in the form of Committees of the Poor; the well-to-do peasant was to be displaced by the ne'er-do-well and the rural proletariat. A socialistic system of agriculture, with Communes and Soviet farms as features of the plan, was finally to link up rural production with the nationalized industries of the cities. Most important of all, a confiscatory socialistic tax was established—the *prodrasverstka*. The peasant was allowed to retain only a certain minimum of his crop and compelled to deliver the remainder to the state. This was to be his contribution to the Worker's Republic which was supposed to have given him "peace and land."

The scheme proved to be a complete failure. Class war in the villages destroyed the stability of land tenure and rendered cultivation impracticable. The Communes and Soviet farms withered. In the main, the peasant did not share in the enthusiasm for a Communist state and refused to surrender his

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crop voluntarily. So taxes were collected by forcible requisitioning, often in a merciless manner.

The result was peasant insurrection. All through 1919 and 1920 Russia flamed with peasant uprisings, eventually culminating in guerrilla warfare known as the "green movement." A further answer of the peasant was to stop producing. There being no incentive to cultivate beyond the minimum required for existence, peasant production shrunk to a bare "consumption rate," leaving no surplus. It is not sufficiently understood, even to this day, that the real cause of the famine of 1921–22 lay primarily in this reduction of peasant agriculture. In normal times local deficiencies were made up by the surplus in other regions. With the down areas cut in half the calamity of famine was unavoidable.

The effort to communize peasant Russia resulted thus in a complete paralysis of peasant production, accompanied by revolt, which culminated in the Kronstadt uprising of February, 1921. No government, however well intrenched, could face such a situation. So there came about the "surrender," announced in Lenin's famous speech of March, 1921, justly regarded as a turning point in the Russian revolution. "We know," he said, "that only an understanding with the peasant can save the social revolution until the revolution is ready to break out in other countries. . . . The situation is now this: either we must satisfy economically the peasant of the middle group, or it will be impossible to maintain the power of the proletariat in Russia." So it came to pass that this mass of inarticulate humanity, seemingly so helpless, succeeded in winning a victory over what had been until then triumphant Communism.

Naturally the most far-reaching measures of the Nep related to peasant life. Its two outstanding features were a new system of land tenure and a new form of taxation.

Various measures with regard to land holding, introduced step by step, were finally codified in October, 1922. The new Land Code maintained the principle of nationalization; it did not recognize private ownership, nor permit the sale, renting or inheritance of land. Nevertheless it did away with most of the socialistic experimentation. It provided for necessary incentive by establishing life-long tenancy. A peasant family now gets a portion of the land in the initial distribution and is allowed to hold it for good.

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The confiscatory *prodrasverstka* was replaced by the *prodnalog*, an ordinary tax in kind, which meant a complete reversal of the previous conception. The peasant is to deliver to the state only a certain fixed percentage of his produce; the rest is left at his disposition.

Another interesting feature was the abandonment of the direct administration of land tenure from Moscow. The power to dispose of land was transferred to local institutions. In particular, local councils now choose the system of land tenure, whether communal or on the basis of individual possession, on lines practically identical with the famous Act of 1906 known in Russia as the Stolypin laws. This symbolizes quite an important development in the relations between the central Communist authority and local peasant life. In a way it is a "hands off" policy, not a surrender to democratic ideas. "We do not promise freedom nor democracy," said Lenin in November, 1921. "We do not tell the peasants that they can choose between us and democracy. We are ready within limits to grant them concessions, so as to retain power in our hands. All the rest is nonsense, the purest demagogy."

The determination to maintain unrestricted authority in Moscow is unchanged. But realizing that the hope of gaining direct control over the peasants is futile, the central authority has adopted a kind of compromise, whereby it continues to govern the country through its hold on the cities and the railroads, while leaving the peasants on the outside to wrestle with their own affairs.

In this manner it has gradually come about that Communism has actually withdrawn from or has been elbowed out of the villages. A kind of rudimentary local peasant government has come into being, apparently as part of the Soviet system, but in fact quite self-dependent. The village does not openly challenge the central authority. Revolts have subsided. Resorting to his tried weapon of passive resistance, the peasant has asserted himself with quiet but grim determination. Life goes on in these self-contained peasant units, with their own authority and judiciary, with their own code and their own notions of right and wrong. A striking expression of this fact is shown in the yearly elections provided for by the Soviet constitution. These elections are held in stages,—beginning with the village council, called the *sel-soviet*,—then the *volost*, a township embracing some

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tens of thousands of people,—then the *uesd*, or district,—and then the *gubernia*, or province, which sends delegates to the Central Soviet in Moscow. The elections, viewed as a whole, are a comedy. Machine control, however, comes into operation only at the higher stages. The Communists bar all opponents from the central and city assemblies but are unable to extend their control into the villages. As a result, for instance, in 1922 out of more than 400,000 elected members of the *sel-soviets*, less than seven per cent were Communists. Over ninety-three per cent were non-partisan—a term applied to anyone opposed to the existing system of government. "It is an indisputable fact," said the *Izvestia* of August 23, 1923, "that while the commanding heights in the provincial districts and municipal centers have been conquered by the Communist party, the rural Soviets continue to flounder in the swamps of non-partisanship. . . . We are menaced by the non-partisan wealthy peasantry who have acquired a powerful influence in the rural districts and in some places hold the entire lower Soviet machinery."

In 1923 the Communists undertook to get possession of the lower Soviet apparatus. No complete figures are available at this writing, but partial results are indicative. The *Izvestia* of December 5, 1923, quotes the returns up to December 3rd. Of 273,332 members elected to the *sel-soviets* (57.1 per cent of the total) the Communists constituted only 8.3 per cent. The picture changes sharply in the higher stages of government. The *volost* assemblies are 18 per cent Communist; the *volost* executives, 48.6 per cent; the *uesd* assemblies, 67.8 per cent, and so on. The control of the party is still absolute. But the attempt to subdue the peasant has again failed.

It should not be imagined, however, that peasant life has become easy. Far from it. Civil war, requisitioning and famine have depleted stocks. Tilling land often presents an insurmountable problem. Taxation is oppressive. It was admitted at the 12th Communist Congress that the state budget was founded entirely on the peasant and that the bonds of taxation had been tightened to their limit. Notwithstanding this, the effect of the Nep legislation in rural economics has been notable. With individual production stimulated, the area cultivated in 1923 has risen to 59 million desiatines.[1] Compare this figure with the figures for other years (in millions of desiatines):

[1]One desiatine equals 2.7 acres.

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1916—79.2; 1917—79.0; 1920—60.5; 1921—53.2; 1922—43.8. The increase is striking.[2] No wonder the Government was jubilant in proclaiming the beginning of a general economic revival. The agricultural surplus was to revitalize the internal economic situation and provide for a profitable foreign trade. At the climax of expectations, in the early summer, the crop was estimated to be over three billion poods,[3] exceeding the crop of 1922 by a million and allowing for an export of more than two hundred million poods. All through the country there was a wave of hope.

Time has shown that the hopes were illusory. In the first place, the expectations regarding the crop did not materialize. The *Economic Life* of September 2, 1923, gives the following figures for the yield in poods per desiatine: 1921—31.1; 1922—50.8; 1923—42.2.

The shortage is nowhere so acute as it was during the last two years, and in many places there is a local surplus, but for the whole of Russia, according to the *Economic Life* of October 31, the crop of 1923 is below that of 1922. So Russia is again headed for famine, only this time it will be the cities that will be most affected. The situation is aggravated by the fact that foreign assistance has been withdrawn; one can scarcely expect foreign relief after the Government has been lavishly exporting grain. Strangely enough, at the moment little is said about the impending calamity, but a month or two will dispel the haze.

Attention is now focused on the general economic situation illustrated by the "scissors." "The essence of the present crisis," says Rykoff, "is that we are unable to dispose of the products of our industry and our agriculture in general." This situation, revealing a general collapse of exchange, has its roots in the very essence of the Nep, and primarily in the varying degree of the "surrender" made in peasant agriculture and in the fields of industry and trade.

While certain limited avenues were opened to private initiative in local trade and in small industry, principally of the workshop and coöperative type, the Nep uncompromisingly maintained State ownership of large industries and a State monopoly of foreign trade. The situation was to be met without yielding

[2]Figures are given according to such Soviet data as appear to be most reliable. In general, statistics vary.

[3]One pood equals 36 pounds.

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anything in political power and without weakening the general hold over the resources of Russia. For this purpose, what were figuratively called the "commanding heights" were to be retained. The "commanding heights" meant in politics the dictatorship of the party, in economics the state control of industries and the monopoly of foreign trade. Government ownership of industries was to be coupled with methods encouraging production. Thus originated what is called "state capitalism." Industries were to be managed by special bodies—"trusts"—administered by Government appointees but operated on commercial lines.

At first a certain betterment was apparent. In fact, any orderly system could not fail to be better than the social chaos of the preceding period. But it became evident later that the scheme was a failure. While in certain "light" industries a substantial increase in production was reached, the basic industries remained at a very low level. The following table, showing the production of recent years in comparison with that of 1913, is taken from the *Izvestia* of November 7, 1923:

	1913	*1920*	*1920–22*	*1922–23*
Coal.....	100	27	33	37
Oil.....	100	41	49	55
Pig Iron.....	100	2	4.5	7.1
Mining.....	100	..	1.6	4.6
Cotton Textiles....	100	..	19.3	27.1
Shoes.....	100	..	5.4	5.6

The fact is, however, that quantity of production is in no way indicative of the real situation. No matter how disorganized they may be, the industries can still produce more than the country is able to buy.

The trouble lies not in the quantity but in the cost of production. State-controlled industry has proven to be commercially unprofitable. "Prices for manufactured goods are from two to three times higher," said Trotsky, addressing the 12th Communist Congress, "and in spite of that our industry is not commercially profitable. At the same time, every private small industrial or merchant, notwithstanding the very unfavorable conditions under which he works within the Soviet system, continues to operate and succeeds in making a profit." This confession clearly betrays the source of the trouble. We have one more demonstration of the impracticability of government-con-

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trolled economics. Most illuminating is the fact that all through the Nep, whenever private initiative succeeded in taking root it managed to live. It seemed to be able to grow in the soil of a convalescing country. As an instance we may cite the case of the so-called State Bank, a semi-private bank of issue operated on commercial principles, which succeeded until recently in maintaining its notes within reasonable limits of stability. It seems as though any undertaking containing a degree of common sense is likely to grow in the atmosphere of general betterment, while every artificial plan dictated by communistic sophistry withers.

The 12th Communistic Congress convened last April in an atmosphere tense with expectancy. The urgency for solving the deadlock was evident and important departures were anticipated. Speculation centered around the alleged split in the party between the irreconcilable fanatics and the moderates. But the looked-for factional contest did not materialize. Face to face with realities, every Communist realized that further departure from principle meant actual surrender and that abandoning the "commanding heights" was tantamount to ending the Communist party's control over the destinies of Russia. As a matter of fact, there does not as yet exist any faction within the party which is prepared to take such a step. "Moderates" there are; but their moderation is only a frame of mind, an inclination to face economic realities, which has not matured into a programme, still less into a policy of practical accomplishment. Krassin alone suggested extending the autonomy of industry. The party as a whole held to uncompromising doctrines; no "newest" economic policy was adopted; the assembly ended in wordy appeals to party loyalty, discipline and devotion. In general, it may be said that at present the "lefts" have the upper hand. There is what one might call a "Communistic reaction."

All this is but further evidence that Communism cannot evolve. There is no bridge, no way of gradual transition between the Communist and the Individualist points of view. These are two sets of mutually antagonistic and irreconcilable ideas. As the Chinese proverb says: "He that rides a tiger can never dismount."

In the meanwhile the country continues to linger in its economic paralysis. The effect on the Government itself is gradual

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impoverishment. In the past there existed gold and stocks of goods. Now that these are practically exhausted the only sources of revenue are taxation and foreign trade. The hopes for large grain exports have not materialized. The *Pravda* of November 20, 1923, figures actual shipments at 42 million poods out of 60 million contracted for. Moreover, one may judge that the operation has not been profitable; the overhead charges in transportation and handling seem to have consumed the expected profits. As for taxes, they depend wholly on national productivity. Altogether, the Soviet treasury is experiencing heavy deficits. According to the Soviet *Financial Messenger*, the budget for the fiscal year ending October 1, 1923, had receipts of only 562.6 millions (in gold rubles) to offset expenditures of 1240.3 millions. The estimated deficit thus was 54.6 per cent. Actually, for the first half of the year the deficit was 57 per cent. Of this deficiency less than 10 per cent was to be covered by loans, leaving the balance to be supplied by the printing press. No wonder the rapid fall of the Soviet ruble continues.[4]

Budget deficits continue in spite of every endeavor to curtail expenditures. Obviously such functions as police, army, and the Cheka cannot be restricted, so retrenchment affects chiefly the non-political, constructive departments. Education suffers first of all. According to Lunacharsky,[5] the number of schools has been reduced to 53 thousand. This may be compared with the 64 thousand in 1916 and the 70 thousand at the much advertised "peak" in 1921. Appropriations for educational purposes in 1923 were 41 million gold rubles, as compared with the 314 million of the pre-war régime. To illustrate further this wholesale dismissal of employees one may quote Dzerzhinsky's report[6] that the number of railroad men has been reduced from 1,700,000 to 750,000. Scores of intellectual-professionals have been thrown out of the non-political departments. Increased bureaucratic efficiency is in itself a most laudable aim; the tragic part is that there is no employment at present in Russia outside of government work.

[4]The circulation of the Soviet currency (in billions of rubles) was as follows:

January 1, 1921	1,168
January 1, 1922	17,539
January 1, 1923	1,994,500
September 1, 1923	15,193,000

[5]*Izvestia*, September 28, 1923.

[6]*Izvestia*, November 7, 1923.

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The disorganization of finances also has had its effect on industries. With state industries operating at a loss, their continued functioning depends on the steady replenishment of deficits from the state treasury. During 1923 alone direct subsidies of this sort exceeded 156 million gold rubles. Many factories were closed and production was concentrated in a few of the best equipped plants. The result was increased unemployment. The number of registered unemployed on February 1, 1922, was 88,000 and on December 1, 1922, 540,000.[7] Figures for 1923 are supposed to pass the million mark.

Beginning last July Russia was swept by a wave of strikes. That labor has protested against a government which in theory is dedicated to the toiler was recently openly admitted in the debates over what is called the "democratization" of the Communist party. This movement appears to be most serious. It is of comparatively recent origin, but for weeks the Soviet press has been almost wholly devoted to it. It is not a division between leaders as to the best practical course, but rather is born of the estrangement between the rank and file and the ruling center. The governing class has become a privileged aristocracy, acting at its own discretion. It has little in common with the Communist workman who remains at his bench. The latter cannot escape the influence of his surroundings; he breathes the same air as the striker and the unemployed. In consequence a powerful protest has arisen from below. The Communist workmen demand actual participation in the government; they wish equality within the party; they wish freedom of discussion and a free press. Not that this means more moderate ideas. So far it is the other way. They speak of the dictatorship of the proletariat as against the autocracy of the party leaders. The workman is usually the honest fanatic. He accuses the leaders of having betrayed Communism and charges the recent vicissitudes to the concessions made by the Nep. A few prominent leaders, —Trotsky, Radek, Piatakoff—seem to have become associated in some way with the schism. As these words are written the party steam-roller has managed to quell the uprising. The fundamental sources of the division, however, are not removed.

So much for the city. The greatest difficulty remains with the peasant. "The 'scissors' are opening more and more," reported the *Pravda* of September 29, 1923. "Now, at the height

[7] *Izvestia*, June 20, 1923.

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of the season, we are facing a crisis of exchange with no light ahead of us. It is immaterial, in the final account for the peasant, whether he cannot sell or buy because trade is not permitted or for such reasons as face him at present. . . . Confronting the disillusionment of the peasant at this time, when the sowing period is approaching, it is imperative for us to 'link' manufactured goods and grain at any cost. Above everything we have to show the peasant that he did not till and sow in vain."

By a curious irony of fate, what is going on at present is a repetition of what came to pass in 1921 and led to the first "surrender" or the Nep. Then the peasant stopped working on account of the land laws and taxation. At present the deadlock is because he cannot sell or exchange.

So far no way has been found out of the situation. In fact, there is no escape without the abandonment of Communism. Russian production can be revitalized only by the complete denationalization of industry and trade, by swinging the doors wide open to individual initiative. That demands a surrender of the "commanding heights."

That the demands of life are inexorable, and that Communism in final account is doomed, is admitted by every outsider. It is futile and out of place to speculate as to "how and when." It also is futile to discuss what might be the rôle, in bringing about the next stage, of factions within the Communist party or even of ambitious individuals who are prepared to turn their skins. The essential fact is the necessity and the inevitability of a fundamental change, manifesting the end of Communism and the dawn of a new era. Bolshevism cannot be transmuted beyond a certain point. It has to pass away, no matter in what manner and regardless of whether the obsequies carry features which the public might term "evolutionary." History teaches that apparent power of organization and armed resistance are of no avail to a cause psychologically undermined. "Revolutions," as a matter of fact, are primarily psychological phenomena. Instead of the usual query,—Who is able to challenge the Bolsheviki and drive them to retreat?—the question in broad historic perspective should be put the other way,—The Communists have challenged life; has that ever been done with impunity?

A few further remarks should be devoted to discussing certain changes in the realm of political and psychological dynamics,

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especially in connection with the spectre of anarchy (often evoked by the prospect of the passing away of the present government), and the observation that there is no articulate group or "strong person" to inherit the guidance of the ramshackle Ship of State.

In any talk of impending chaos one should bear in mind the rudimentary forms of local government which the peasants have succeeded in establishing. This post-revolutionary formation is a frame-work for the future peasant democracy of Russia. It has grown up under the shell of Bolshevism just as a chicken matures within the confines of an egg. It reflects, moreover, a substantial change in mentality. The peasant has learned not to rely on assistance from without, but to walk on his own feet. Socially he is conservative. He wishes to keep his land and enjoy the fruits of his labor. For generations institutions of government were to him an outside factor, for which he cared little. Destitution and suffering have taught him that established ways of government, symbolizing safety, law and stability, should be maintained and cherished. The much-reported orderliness of village life has little to do with the "center." It is a reflection of the new notions and psychology of the people.

Another development is the gradual reintrenchment in non-political departments of the "specialists." In the administration of the railroads, the post office and finance, in agronomy and in medicine,—everywhere the Commissar is being elbowed out by the *spets*, the intellectual professional. The improvement in the little there is of railway traffic is entirely due to the increased authority of the railway men, who have come to enjoy a kind of autonomy and are working under a spell of revived "professional pride." The Communists have shrunk into a small, essentially political group, leaving all the serviceable and constructive functions of government in the hands of the outsiders. Such a fact is of great importance. The peacefulness of the March revolution of 1917, following the downfall of the Czar, is attributable to the circumstance that the functionaries, holding the government machine, had lost their devotion to the old régime.

As regards the general mental and spiritual transformation, one may say that a strong trend has developed throughout Russia towards decentralization and local self-dependence in politics together with a revulsion against collectivism and against

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state control in the economic field. The country has become violently individualistic. The lure of socialistic ideas, so strong in old days, has faded. As to reconstruction, the rebuilding of Russia is to be expected not so much from the directing agency of a central authority, of whatever kind, as through the gradual revelation of sane instincts and notions acquired by the nation in the fire of the upheaval. A prevalence of individual initiative would seem to be indicated. Moreover, the economic inheritance militates against a strong centralized rule. The recoil of the Bolshevist power is largely due to the impoverishment of the country. Centralized government means a costly apparatus of bureaucracy, armies, police, but an expensive administration cannot be maintained in a country with no production to allow heavy taxation. In the nearer future, authority, even though of the "strong" brand, is likely to repose principally in local institutions. Obviously, there will be a central government, but for a time it is bound to be comparatively weak,—more of a "government of service" than a "government of rule."

Another phenomenon to be noted is the new Russian patriotism. Out of the bleeding and humiliation there has arisen a young and vibrant nationalism, a colorful, spiritual result of the great trial, paralleled, it may be, by a rebirth of religious fervor. The Bolsheviki over and over again have made use of this national feeling, rallying public opinion under the pretext of danger from foreign attack or intervention. On the other hand, the Communists plagiarized from the language of nationalism in dealing with foreign affairs and eventually were forced to embrace directly the national tradition.

Life, besides, has wrought another victory. "Most and first of all we wish peace. We shall not send a red soldier outside our boundaries provided we are not provoked by force. Our peasants and workmen would not allow the Government to take the initiative in any military operations." So Trotsky declared to Senator King. Not many years have passed since militant Communism, intoxicated with initial success, entertained predatory ambitions. As has been pointed out, the peaceful pronouncements of today are mainly due to economic dislocations, but hardly less potent has been the spiritual factor, emphasized by Trotsky. The country is peaceful; the people do not wish war. They will defend Russia against aggression but have no instincts for offense. Europe has been spared many dangers by

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this self-assertion of life, expressing itself in the popular will for peace against a still entrenched, though morally undermined, authority.

Such is the picture of Russia today. Externally, Bolshevist rule continues as it was, apparently stable and unchallenged. Within, by the powerful forces of life, a new Russia is being born. Autocracy of the state, economic collectivism and internationalism are the bases of the system on which the country is governed today. But the movement of life is in the opposite direction—in politics, decentralization and self-dependence,—in economics, individualism, with its corollary of private property and freedom of initiative,—spiritually, a young vibrant nationalism. The present, no matter how overwhelming it appears to the outside observer, is but a point in the great process of transformation from the old régime to the future democracy.

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FERTILIZERS: THE WORLD SUPPLY

By Harry A. Curtis

IT HAS long been recognized that the harvesting of crops removes from the soil certain mineral plant foods and that permanent agriculture can be established only under a program which maintains the fertility of the soil by returning to it the mineral constituents which are likely to become deficient. The chief of these are potassium, phosphorus, and nitrogen, as practically all arable soil contains an unlimited supply of other mineral plant foods. To meet the deficiencies in these elements good methods of tillage and the intelligent use of fertilizer, based upon a knowledge of the particular soil that is to be planted and the requirements of the particular crop, are necessary. Moreover, as virgin arable land becomes less and less available, the maintenance of soil fertility becomes constantly of more importance.

In the last few decades the manufacture and distribution of agricultural fertilizers have become an industry of first rate importance. Already there is a world trade in fertilizer materials on a very large scale, as the statistics of almost every country indicate. Over six million tons of fertilizers are consumed annually by agriculture in the United States alone, and though nearly eighty per cent of this is from raw materials obtained within our own territory, yet the part which we imported in 1922 cost over thirty-five million dollars. Chile exported during the last fiscal year over two and a quarter million tons of Chilean nitrate, most of which found use as a fertilizer The Potash Syndicate of Germany sold about five million tons of potash salts in 1922, about ninety per cent of which was used as fertilizer.

As in all industries, there has been in the fertilizer industry a world-wide search for the cheapest source of raw materials. It is not sufficient that a commercial fertilizer simply contain one or more of the plant foods in question—potassium, phosphorus, and nitrogen,—for plants can assimilate mineral compounds from the soil only when these are in solution. A commercial fertilizer must contain one or more of these plant foods in a form which is water-soluble, or which quickly becomes soluble under the bacterial and chemical actions of the soil. If the raw ma-

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terial does not contain the plant food in such a form it must be put through some process, which of course adds to the cost of the product. In consequence, the industry has sought to find natural deposits of fertilizer materials which require no processing. In the past this has been a matter of vital importance, for any sort of chemical processing has been expensive. But as new and better methods of handling chemical projects have been developed the enormous advantage once inherent in a raw material requiring no processing has grown steadily less, and eventually a point may be reached where it becomes economical to process a domestic raw material and distribute it over a short radius rather than to import a ready-to-use product from a far distant source.

As the industry exists today, potash is derived mainly from the German and Alsatian mines; phosphorus mainly from phosphate rock and Thomas slag; and nitrogen from four principal sources—sodium nitrate from Chile, ammonium sulphate obtained as a by-product of the coke and coal industries, synthetic nitrogen compounds from the air, and a great variety of animal and vegetable waste materials.

The World's Potash Resources

In view of the threat made by certain prominent Germans during the war regarding the future use of the German potash monopoly as a weapon against enemy nations, it is of interest to consider precisely to what degree an undefeated Germany might have been able to carry out the threat. The potash reserves in the German mines are enormous, as much perhaps as 20,000,000,000 tons of crude potash salts, with which should be considered a probable 1,500,000,000 tons representing the Alsatian deposits, now under French control but formerly a part of the German monopoly. Without doubt here is one of the most valuable deposits in the world, and one from which, as a matter of course, a large proportion of the world's supply of potash will come for many years. However, not all of the world's supply of mineral potash is included in the German and Alsatian deposits. When the World War broke out other sources were sought and under the stimulus of high prices, dozens of potash producing plants were set up in the years following 1914. While production costs have been in general too high to permit competition with the German and Alsatian output since the war, nevertheless the

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progress made during the few years in which the German supply was cut off is indicative of how little we need fear that starvation for lack of potash which was to be the post-war fate of Germany's opponents. It is probable that one of the most arrogant monopolies ever known will pass into history.

Spain has deposits of very considerable size in Catalonia, and during the war several companies began operations in this field. Italy has a small but rich deposit in Eritrea, from which about 50,000 tons were produced in 1917. In Tunis there is a salt lake whose brines have been worked for bromine and potash. In 1917, 20,000 tons of potash were turned out from this same source, and larger plant installations were being made.

The potash resources of the United States were surveyed rather carefully after the German supply was cut off, and by the end of 1918 we were producing a very considerable tonnage of potash from a variety of sources. Of our deposits of soluble potash salts, the largest is probably that of Searles Lake, California. This old lake bed, covering an area of about twelve square miles and with a deposit of salts about seventy-five feet thick, is estimated to contain as much as 10,000,000 tons of potash. In 1917 there were two companies producing in this district, with a combined capacity of about 50,000 tons. Similar but smaller accumulations of potash-bearing brines are found in Nebraska, where by the end of the war a dozen or more small extraction plants were in operation. At Great Salt Lake, Utah, two more plants were in operation, and one had been built in the Salduro marsh of Utah. Ten little plants for extracting potash from kelp were started in California in 1917 and 1918, with a total capacity of about 4,000 tons per year. Potash as a by-product of the cement industry was produced at fourteen plants in 1918, the total recovery being about 5,000 tons, which was less than one-tenth of the potash content of all the cement dust available in the industry. One plant for recovering potash from blast furnace gases was under construction at this time, and it was estimated that at least 40,000 tons of potash per year could be recovered from the larger blast furnaces of the country. Even potash-bearing rocks, which in many countries exist in unlimited quantities and are a great potential source for potassium salts, were utilized in several small plants. Processes were developed for treating commercially the leucite rock of Wyoming, certain Georgia slates, the green sand glauconite of New Jersey

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and Delaware, the alunite of Utah, and the feldspathic mill tailings accumulated in Colorado. Potash was also produced from waste molasses, beet sugar wastes, wood ashes, etc.

While production from any one of these sources was small compared to the enormous output of the German mines, the development of the industry was remarkably rapid. The actual production in 1917 was about 32,000 tons of potash, and at the end of 1918 the United States Bureau of Mines estimated the production capacity at 125,000 tons per year, or about half our normal consumption. Only a few of these war-time projects have survived since the war in competition with German and Alsatian potash, and today we are producing less than ten per cent of our consumption. However, with the Alsatian potash deposits under French control, with the knowledge of our own potential resources, and with the certain discovery of new deposits of potash salts from time to time, it is unlikely that a really serious potash shortage can ever develop in this country.

The World's Phosphorus Resources

No great deposits of phosphorus bearing material in a ready-to-use form are now available, but the rock phosphate deposits from which the greater part of the world's phosphatic fertilizer is obtained are large and widely scattered. Those most exploited at present are the Florida and Tennessee deposits, while next come those of Tunis, Algeria, and Egypt. Phosphate rock, so-called, is also shipped in considerable quantities from a number of islands, notably Christmas Island (British) in the Indian Ocean, Ocean Island (British) in the Gilbert Archipelago, Aruba and Curacao in the Dutch West Indies, Anguar (Japanese) in the Pelew group, and several others. For the most part these island deposits are limestone and coral formations which have been impregnated with phosphatic material leached from guano.

But the world's rock phosphate resources are by no means limited to those now being utilized. Deposits are so numerous and so widely distributed that only the richer and more accessible have been worked as yet. In the United States, the phosphate rock deposits of Wyoming, Idaho, Montana, and Utah are much larger than those now exploited in Florida and Tennessee. We also have deposits in Arkansas, Kentucky, South Carolina, and elsewhere. In Canada there are enormous beds in Ontario and Quebec; in Russia great deposits are found in the

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provinces of Moscow, Vladimir, Kostroma, and elsewhere; in Spain the deposits in Caceres are worked to some extent; Great Britain controls, beside the Egyptian and Canadian deposits, phosphate beds in Natal, Australia, and several ocean islands; and France has deposits in several of her ocean islands, in addition to the great beds in Tunis and Algeria. There is also low grade phosphate to be had in the Somme and Oise regions, and Belgium has similar deposits. In all, the world's phosphate rock resources are enormous and there is no likelihood of monopolistic control such as has existed in the case of nitrate and potash production. Raw phosphate rock, when finely ground and applied to the soil, becomes very slowly available as a plant food; for immediate results in crop production, therefore, phosphate rock must be processed before use. In spite of the cost of processing, phoshorus remains the cheapest plant food sold by the fertilizer industry today.

Moreover, in addition to rock phosphate, which accounts for about seventy-five per cent of the phosphorus used in fertilizer, there are several other sources, the chief being the basic slag from steel-making furnaces. This material, often called Thomas slag, is a by-product and the amount produced is therefore limited not by the demand for it, but by the demand for certain kinds of steel. In the United States little if any Thomas slag is worked up as fertilizer, but in Germany, Belgium, France, and the United Kingdom over 3,500,000 tons are so used annually. Guano, of which the natural accumulations have been practically exhausted, bone meal, fish scrap, and other waste materials afford an additional small supply.

The World's Nitrogen Resources

As already indicated, there are four principal sources from which the fertilizer industry draws its nitrogenous material. It is customary to consider this material in two categories. Under the heading "inorganic nitrogen" are grouped Chilean nitrate, nitrogen compounds from coal, and synthetic air-nitrogen compounds; while under the "organic nitrogen," or "organic ammoniates," are included a large variety of vegetable and animal waste materials such as cottonseed meal, castor pomace, meat packers tankage, fish scrap, leather scrap, etc.

The general trend of the industry is away from the use of organic nitrogen, which is a low grade fertilizer. Let us begin

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with this category, however. In the United States organic nitrogen has been used extensively in mixed fertilizers, not alone because of its nitrogen content, but also because it "conditions" the mixed fertilizer, *i.e.*, puts it in better condition for handling and drilling. A number of years ago the big meat-packing concerns organized fertilizer companies as a means of disposing of the waste from their plants. Likewise, the big fertilizer companies own many of the cotton oil plants, and formerly utilized the cottonseed meal as one of their main sources of organic nitrogen. The total amount of fertilizer so used cannot be estimated accurately, but in 1919 somewhat more than half of the total nitrogen in all fertilizer in the United States was of the organic class.

Since that time the shift toward inorganic nitrogen has shown itself and today nearly all of the tankage and much of the cottonseed meal and fish scrap produced in the United States are sold as food for cattle, hogs, and poultry, at prices which are higher than they command as fertilizers. It will benefit the American fertilizer industry to be rid of these low-nitrogen fertilizers. There is an obvious absurdity in assembling, processing and distributing millions of tons of fertilizer containing more than eighty-five per cent of inert material. A thoroughgoing revolution in the American fertilizer industry is overdue.

The amounts of inorganic nitrogen compounds obtained from the three main sources are known fairly accurately. For many years the nitrate supply of the world came from Chile, and in forty years over two billion dollars' worth of Chilean nitrate was bought. But there have been great changes in the last ten years. Whereas in 1913 Chilean nitrate supplied 54 per cent of the world's inorganic nitrogen, the coke and coal gas industries 38 per cent and the air-nitrogen industry 8 per cent, in 1922 Chilean nitrate supplied only 23 per cent of the total, the coal processing plants 35 per cent and the air-nitrogen industry 41 per cent. Since more of the Chilean nitrate goes into non-agricultural uses than does the nitrogen from either of the other sources, the relative importance of Chilean nitrate in the world's fertilizer industry is really less than indicated by the above figures.

The Chilean nitrate industry is an item of unusual interest in connection with the world's supply of fertilizer chemicals, because of the dependence of the Chilean Government on revenue from the sale of nitrate lands and from the heavy export tax on

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nitrate. For forty years the nitrate tax has been the mainstay of Chilean finance, from 40 to 75 per cent of the total government income being derived from this source alone. Originally the nitrate was exploited by foreign capital, and for many years the British companies in Chile and the British selling organization in London controlled the industry. There has, however, been a gradual shift of ownership to Chilean citizens until today over sixty per cent of the production is by companies of Chilean registry. Naturally, the Chilean Government has taken an active part in all affairs touching the industry, and has joined with the producers in carrying on world-wide advertising of nitrate for agricultural use. In late years the Chilean Government has sought to revise its financial system so as to make it less dependent on the nitrate tax, perhaps realizing that there will come a time when this tax must be reduced or abolished in order that Chile's natural nitrate may better compete with synthetic air-nitrogen products.

The nitrogen obtained as a by-product of the coke and coal-gas industries is limited by the amounts of coal treated, but since there is an enormous annual production of coke and of coal-gas, the quantity of nitrogen is large. The United States in 1922 produced about 99,000 tons of nitrogen from coal, equivalent to about 495,000 tons of the ammonium sulphate used as fertilizer. The world's production of nitrogen from coal in 1922 was about 311,000 tons.

More of the inorganic nitrogen used in fertilizers now comes from synthetic air-nitrogen compounds than from any other one source. This is rather a remarkable fact when it is remembered that the air-nitrogen industry is less than twenty-five years old, and that, from a chemical engineering standpoint, the project of manufacturing nitrogen compounds from the air is one of the most difficult ever actually put into operation. The chemical element nitrogen is a gas when in its free state, and only by applying drastic chemical measures can it be "fixed" in chemical compounds. Even then it does not entirely lose its natural preference for individual existence, and throughout the chemistry of nitrogen we note a tendency for the element to escape chemical bonds and revert to the free state. Until the modern chemical processes for "fixing" nitrogen were developed bacteria formed practically the only link between the great reservoir of free nitrogen and those "fixed" nitrogen compounds which constitute

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the indispensable protein food of man. But this slender link has held and we are still dependent on it, as the amount of nitrogen annually supplied by bacteria in the crop-producing areas of the earth is so enormous that all our commercial fertilizer tonnages appear minute in comparison.

The commercial production of nitrogen compounds from the free nitrogen of the air was first attained in Norway in 1903. It is interesting to note that the arc process of nitrogen fixation, which was the first process to reach commercial success, is the only successful nitrogen *oxidation* process which has been developed to date. All other commercial nitrogen fixation processes are nitrogen *reduction* processes, speaking chemically. This arc process, as is well known, requires a very large use of power in comparison to other fixation processes, and for this reason has not been much used outside of Norway. Where very cheap electric power is available the arc process can turn out nitric acid at less cost than it can be made by any other process. In order to convert this acid into a fertilizer compound, the only practical procedure yet worked out is to treat it with limestone and so produce lime nitrate, or "Norwegian saltpeter." Unfortunately this material is not suitable for making the mixed fertilizers commonly used in the United States and therefore has not been as generally used here as in Europe. Of the nine arc plants existing today, only five are operating, and there has been no increase in production capacity in four years. Unless some radical improvement is made in the power economy of the arc process, it does not appear that this process will play a very large part in the production of air-nitrogen compounds in the future.

The cyanamid process for fixing air-nitrogen was introduced in Italy in 1907 and during the next five years plants were built in several countries. Here again it was found that cyanamid fertilizer is not adapted to American methods of agriculture, and the Canadian plant, whose normal market lies in the United States, has remained the only cyanamid plant operated on this continent. During the World War the United States Government built the largest cyanamid plant in the world at Muscle Shoals, Ala. This plant has remained idle since the war, there being no way apparent by which its operation could be profitably continued. At the time it was built there was no reasonable alternative, and it is still possible that a way can be found to utilize this great plant in peace time without decreasing its

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military value as a potential source of nitrogen compounds for military use.

In 1912 Professor Haber, of Germany, developed a third successful air-nitrogen process, generally known by his name. During the war this process was used in two huge plants at Oppau and Merseburg, and this addition to her nitrogen-producing capacity made Germany independent of the Chilean nitrate supply. This was a matter of the utmost importance, for it happens that all modern military explosives are nitrogen compounds, and therefore no modern war can be undertaken unless a sure supply of nitrogen is available. This fact has no doubt been a spur to the establishment of nitrogen-fixing plants in nearly every country of the world, for under modern conditions of war a complete blockade of any country would speedily defeat it unless there existed a sufficient domestic source of nitrogen compounds to meet its war needs.

The process originally devised by Professor Haber is today probably the most promising of the air-nitrogen processes. Many modifications of it have been made, and we have at present several commercially successful processes of this type, such as the Casale Process, the Claude Process, etc., all of them based more or less on the original Haber scheme. There are today nine small commercial plants outside of Germany using modified Haber processes, and several others in course of construction. Germany's Oppau plant is in the occupied territory and has been idle since the French regime, but plans are now under way to put it into production again.

The Future of the Fertilizer Industry

To sum up. We may say that the tendencies in the business of producing the three great groups of fertilizers—a tendency starting before the war, but intensified by the war,—are such that the danger of national centralization or control is steadily being diminished. Chile is no longer practically the sole source of nitrogen supply. Germany, though still predominant, is by no means the sole source of potash supply. Whatever may be said concerning the raw materials of other industries, the necessity for centralization in the fertilizer industry has become less rather than greater.

Further, there are reasons to expect that, large as the world's fertilizer industry is today, it will expand, and that eventually

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fertilizer material will become one of the great commodities of world trade, comparable with coal, steel, and wheat. As virgin agricultural land becomes less and less available the need for increased food production per acre will naturally increase, and in the end the population of the earth will be fixed by the maximum amount of human food which can be produced by means of the utmost refinements of agriculture. Since the proper application of fertilizer offers a means of substantially increasing the production per acre, it appears inevitable that the use of fertilizer will increase to the economic limit set by the food producing power of fertilizer. Our knowledge of all the interlocking factors of soil fertility does not yet permit prescription of the exact amounts of the three fertilizer elements needed for a given soil and a given crop, but a vast amount of experimental work is now in progress, and as our knowledge of the returns to be expected from the use of fertilizer becomes more exact the use of fertilizer will become more general. Reduction in the costs of producing fertilizer will also, of course, permit its wider use. In order for the cultivated fields of the United States to receive as much as 250 pounds of fertilizer per acre there would have to be a 600 per cent increase in our total fertilizer consumption. What is true in this country applies also to nearly all of the more recently settled areas of the earth where the natural fertility of the virgin soil is being depleted. Eventually fertilizers must be used in all of them.

When one considers this vast potential world market for fertilizers, and the present state of the art of their production, it appears that here is a field offering an unusual opportunity for chemical engineering endeavor and for broad commercial enterprise.

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ITALIAN COLONIAL POLICY IN NORTHERN AFRICA

By Carlo Schanzer

THE Italian colonies, which cover altogether an area of about 780,000 square miles and contain a population of over a million and a half, are entirely inadequate to care for Italy's economic needs or to provide proper room for the expansion of her growing population. Italy was last to join in the contest of the powers for the appropriation of African resources, and consequently all she could do was to take what the others had left. The territories most suitable for European immigration, such as North Africa from Morocco eastward to Tunis and the coastal countries of South and East Africa, were already in the possession of other states or else were populated to their full capacity by other nationalities. Following the far-reaching vision of her great statesman Cavour, Italy succeeded in gaining a foothold on the shores of the Red Sea between the Anglo-Egyptian Sudan and French Somaliland. On the shores of the Indian Ocean she combined the efforts of her explorers with an official assertion of her sovereign rights over the country lying between British Somaliland and the mouth of the Juba River, and stretching inland from the seashore to the confines of Ethiopia. Finally, in 1911, came Italy's occupation of Libya, dictated by inexorable economic and political necessity.

Thus the colonial dominions of Italy came to be composed of countries representing diverse functions in the life of the nation. Because of the fact that Libya is contiguous to Tunis and is directly across the Mediterranean Sea from Italy proper, and because of its sparse native population and age-long connections with Sicily, these two colonies are best suited for European colonization within bounds imposed by the native population and special local conditions. Italian immigration into Libya has been on the increase, and in 1921 totaled 27,495. On the other hand, the two East African colonies, Eritrea and Somaliland, are clearly typical territories for economic exploitation. Ethnic and cultural conditions differ in these latter colonies also. Although before the Italian occupation Libya was considered one of the most backward countries of Africa, its population possessed a certain stationary if retarded civilization and a monotheistic

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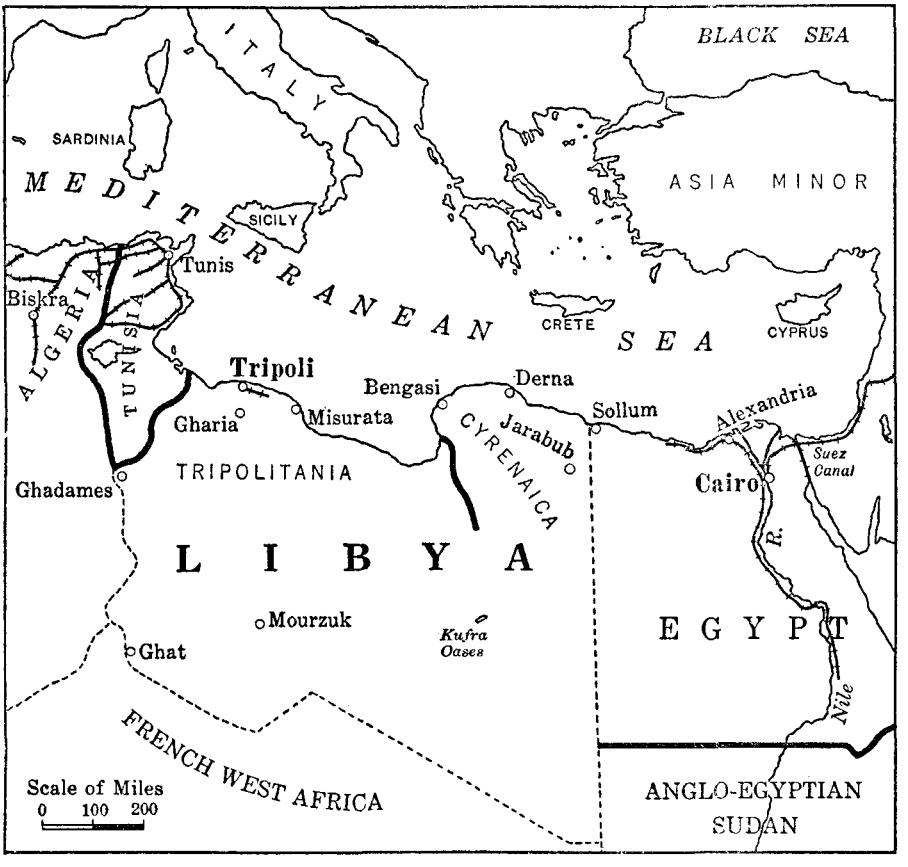
religion; while Eritrea in its indigenous civilization stands only slightly above Somaliland, where the natives have not yet accepted Islam and remain in a comparatively primitive condition.

The internal political arrangements of Libya and the East African colonies are also different. Tripolitania, one of the two administrative units into which Libya is divided, has kept her feudal character, thanks to the everlasting rivalries between the



ITALY'S NORTH AFRICAN POSSESSIONS

local chiefs and the fundamental discord between the Berbers and the Arabs. Even the Turkish Government, during its long domination, did not succeed in leveling this strife and giving the country a homogenous government. The people of Cyrenaica, the other division of Libya, have upheld the simple organization of the patriarchal Islamic tribes; and the Senussi brotherhood,

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(whose influence, generally speaking, is strong in the desert regions but less toward the coast,) succeeded in uniting the Arabs and the Sudanese of the Saharan oases under one religious authority and in a common trade organization. The tribes of Eritrea, however, present a very rudimental political organism; and a still more primitive one exists among the Somalians.

Hence it is a necessary part of Italy's colonial policy to adapt herself to diverse local situations. But while varying in details this policy remains identical in spirit throughout the four colonial territories. Italy knows her duty as a colonizing power—the duty of endeavoring to reconcile the supreme necessity of colonization with the vital needs of the indigenous populations, and of limiting the use of force and coercion to cases of absolute necessity. The Italy of today wishes to develop her African possessions for the benefit not only of the home-land but also of the subject populations and of humanity as a whole. Where the benefits of civic organization are refused by recalcitrant natives who want to continue under the tyrannical and arbitrary rule of their petty feudal lords, Italy takes such measures to reestablish order as seem advisable in the given case. Where natural riches are wasted through backward management, she establishes a régime of scientific exploitation. Where production demands more labor than can be had locally, she creates suitable conditions for the coöperation of her sturdy colonists with the native workers. In short, Italy wishes to govern her African colonies by introducing her surplus man-power among backward populations and integrating the two, never by unnecessarily substituting the former for the latter.

In accordance with this conception, the great importance of public utilities in the colonies is recognized and the sums spent by Italy for these purposes often exceed the present economic value of the colonies benefited. New Italy deems it the duty of a colonizing power to give her vassal territories order, justice, hygiene, technical progress, schools, communications, ports and buildings. She has discharged this task in a manner worthy of her traditions.

Our last operations against the feudal chiefs of the plateau between Tunis and Misurata, as well as those in Cyrenaica against a certain sect that had broken its pledge, are in full accordance with our declared principles. These operations, conducted by comparatively small forces, have been crowned

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with a brilliant success in Tripolitania. The rule of law has been established where heretofore tribal squabbles, general disorder and economic stagnation reigned. The occupation of the plateau has opened Tripolitania to Mediterranean traffic and induced the tribes to return to their own territories and resume their peaceful agricultural work and the raising of cattle. At the present time order is steadily gaining ground in the interior; and in the coastlands, which are naturally better fitted for initial colonization, the government is at work creating conditions that will ultimately make it possible to realize on the colony's potential value. Cyrenaica will soon follow the example of her neighbor colony.

Italy colonizes not only with her sword, however, but also with the aid of her doctors and her teachers. We remember the tradition of our great statesman, Francesco Crispi, who covered the Mediterranean coast with a network of Italian schools and hospitals. The campaign of sanitation in our colonies has wiped out many epidemic diseases and reduced to a minimum the hotbeds of infection. Our colonies can boast of sanitary and hygienic measures similar to those existing in the most progressive countries. The present government intends to lay even more stress on this policy of sanitation, considering it one of the foremost duties of a colonizing nation.

As to means of communication, Tripolitania must suffer from a suspension of railroad building; but the construction of ordinary highways giving the country access to existing railway lines will be pushed forward. In Cyrenaica a railway line is under construction which is intended to penetrate the whole province, though at present it goes only as far as Regima and El Abiar. And the highway connecting all the important centers, from Bengasi to Derna, is almost finished and has already been opened to as much traffic as the country supplies at present.

POLITICAL AND ADMINISTRATIVE ARRANGEMENTS OF 1913 AND 1914

Tripolitania and Cyrenaica came under complete Italian sovereignty by virtue of the decree of November 5, 1911. In the course of the Libyan war and Italy's subsequent gradual penetration of the country the old Ottoman political and administrative organization was formally revived. This organization was largely based upon the use of natives in administrative posts. As a precaution, however, a large number of residencies

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were established where officers of the army of occupation exercised effective governmental power. As time went by it became clear that, for various reasons, it would be inopportune to develop a direct government by Italian officials. It was found convenient, rather, to form a local government on the basis of understanding and coöperation with local chiefs, leaving to the Italian officials the function of leadership and surveillance, and providing for sufficient decentralization to meet local exigencies.

The royal decree of January 9, 1913, established the political arrangement of the two colonies. Despite the fact that the two colonies differed in many particulars it was decided to give them analogous governmental machineries. The decree invested the Governor with civil and military power, with ample competence in political and administrative matters and in all questions touching defense and public welfare. Following the example of Roman administration and that of neighboring colonies, Tripolitania and Cyrenaica were each divided into zones of civil government and zones of military government. The civil zones included those districts definitely pacified, while the military zones were those where pacification was still incomplete. In this manner the way was paved for the gradual transformation of the government of the colony into one where a civil governor has jurisdiction over the whole area and a military commander is in control of the troops alone.

Under these conditions natives could not participate in the management of their country except in a consultative capacity. As a matter of fact, a council consisting of a small number of eminent natives was attached to the Governor so that he might ask for their individual or united advice.

The political order established by this 1913 decree was reflected in the administrative arrangement confirmed by the royal decree of January 15, 1914. This decree divided the colonies into regions, with an Italian commissioner at the head of each, while a regional council, nominated by the Governor and having a purely consultative capacity, was attached to each regional commissioner. Regions were subdivided into circuits, each of which, under normal conditions, was placed under a native head supervised by an Italian official. The circuits were again divided into districts, urban and rural, the former under a municipal government assisted and supervised by an Italian official, the latter under a local native agent supervised in like

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manner and having recourse to a council nominated by the regional commissioner.

THE NEW ADMINISTRATIVE IDEAL

A general ferment of the Islamic world followed in the wake of the World War. In addition, Italian public opinion was disappointed in its legitimate hopes of a compensation for Italy's war sacrifices that would correspond to the gains of the other Allies. In view of these facts, it seemed to our government that the time was ripe to try direct coöperation with the native populations, granting them civil and political rights that formerly were limited by the discretion of both the central and the local governments. In the midst of a tribal warfare that was racking the country, a constitutional charter offering to every native element an active participation in the government seemed the best measure to promote peace and order. At a single stroke, the natives saw themselves put upon the level of civilized nations and attaining a certain degree of self-government.

To bring into effect this ideal, which to many seemed rather hazardous in the circumstances, the 1913 arrangement was changed. Separate statutes were given the two colonies, whose political and administrative arrangements became different in several respects. Both statutes, however, remained true to the following fundamental aims:

To give the natives of Tripolitania and Cyrenaica *citizenship*, not to make them subjects.

To grant individual citizens such civic and political liberties as exist in progressive countries—the guarantee of individual liberty, the inviolability of domicile and of property, the right to fill civil and military offices, the right to exercise a franchise, the right of petition, the right of sojourn and emigration, and freedom of religion, of press, of meeting and association and of education.

To establish a government consisting of a Governor nominated by the King, who retains all civil and military power under the law, and of a colonial Parliament elected by the population, with a definite number of members ex officio and members nominated by the Government of Italy.

To reserve the post of President of Parliament to a Moslem member of it.

To make incumbent upon Parliament the approval of necessary measures for the enforcement of the statute, for the imposition of state taxes, and for the working-out of practical plans for public utilities.

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To relegate to the Moslem and Judaic religious authorities all matters relating to personal ethics, inheritance, and religious practices, leaving other civil and penal matters to the courts presided over by professional magistrates; and to entrust the Moslem members of Parliament with the nomination of the *cadis*.

To grant official equality to the native and the Italian tongues.

It was upon this foundation that Italy sought to build up a new and daring scheme of colonial policy. How the indigenous populations responded to this liberal appeal we shall presently see.

In 1919 and 1920 Italy repeatedly declared her firm intention to keep her promises. But the local chieftains of the interior, especially in the mountains, continued to fight with each other and the country remained sunk in disorder and poverty. Wishing to keep the natives favorably disposed toward the new statute, the successive Governors intentionally held aloof from these conflicts. In the beginning of 1920 the state of rebellion became aggravated; but after the fall of Ramadan Sceteui, the head of the insurgents, the situation for a time seemed to improve. In November, 1920, however, some Arab chieftains met and repudiated the Italian statute, which opposed to their personal and feudal powers the complete equality before the law of all Libyan citizens and the possibility for every one—or rather, for the best among them—to participate in their own government.

The Committee of Reform set up by these Arab chiefs disguised the personal ambitions of its members under a demand for complete religious, civil, and military autonomy and a new constitution. In reality their desire was to prevent the working of the new Italian statute with its inevitable abolition of petty tyrannies.

Notwithstanding these disturbances, the Italian Government, while maintaining intact its own prestige, was reluctant to use force against the rebels. The new Governor who was nominated in August, 1921, once more succeeded in inducing the chiefs to collaborate for the pacification of the country. While the struggle was in progress between the loyal and the rebel chiefs, a government decree of January 1, 1922, granted Tripolitania a new election law for Parliament and the other councils. The new order was to be worked out gradually from the coastlands towards the interior, in accord with the progress of pacification. Once more the rebels responded to Italy's leniency with insolence; and rebellion flared up worse than before.

Presently further concessions became inconsistent with Italy's

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prestige. In April, 1922, after a series of successful operations, order was reëstablished in western Tripolitania. Even then, before any definite action was taken against the rebels who had fled to eastern Tripolitania, Italy's Colonial Minister declared: "If the seceding Arabs desire peace, let them revert to law and order, which implies respect for the constituted authorities and the use of the legal means offered by Italy for free deliberation as to the interests of the country and the wishes of the population. We have no interest in hindering the legitimate autonomy of the chiefs and the people in administrative and moral questions, but nothing shall be obtained by threats." The rebels did not heed this advice. They were determined to arrest the progress of civilization and to keep that part of the country to which they had fled in a state of perennial anarchy.

Our new government was determined to guard Italy's national dignity vigilantly. The rebellious elements of the interior quickly found themselves confronted with energetic measures; and in November, 1922, our troops subdued the vast inland province of Gharian. In February, 1923, a large portion of central Tripolitania was occupied, and shortly afterward the last center of resistance, Misurata. Today the indigenous populations, weary of warfare and upheaval, are gradually returning to labors of peace.

THE PARLIAMENTARY REGIME IN CYRENAICA

The fundamental laws of Italy's two Mediterranean colonies differ but little in essentials. Each of these colonies has a Parliament, a Government Council and minor local councils which, as I have described, help the Italian Government in its effort to conform to local traditions and customs. Apart from these fundamental outlines, however, it is important to consider the demographic and ethnographic differences between the two colonies, such as the larger number of inhabited centers in Tripolitania, its more extensive zones of stable culture, and the higher development which its political institutions had reached previous to our occupation; and, on the other hand, the comparatively few urban centers in Cyrenaica, the population of which, in addition to being smaller, is entirely nomad.

When it came to evolving a political arrangement for the two colonies, these factors resulted in the adoption of a territorial principle for Tripolitania and an ethnic principle for Cyrenaica.

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Tripolitania was subdivided in a manner which I have already described. Voting districts for the election of members of Parliament and of the other councils were also defined on a territorial basis. I have spoken above, too, of the events which heretofore have prevented us from introducing these theoretical institutions into practical life.

In nomad, patriarchal Cyrenaica, divided as it is into tribal groups, administration on a geographic basis would have been inconceivable. Accordingly, the electoral colleges, except those in the urban centers of the coastland which contain considerable numbers of Europeans and Hebrews, are established along tribal lines. Even the administrative subdivision of Cyrenaica is inspired by the same principle, so that although the country is formally subdivided into regions and districts the authorities therein have jurisdiction over clearly defined tribal groups and over the territories through which such tribes habitually move.

Each major tribal group comprises a number of minor ones, *cabiles;* in each *cabile* one representative is allowed to each four thousand people, or to each fraction of four thousand above fifteen hundred. The Parliament thus includes mainly deputies from tribes and only a few from cities. Among the latter there are, in the present legislature, three Italian members. The grouping of deputies in the Cyrenaican Parliament, unlike the European division into political parties, is determined almost exclusively by tribal ties, which outweigh all political considerations. As a result, the ethnic configuration of Cyrenaica is roughly reproduced in her Parliament: we see the Abeidat on the left, the Hasa, Braasa, and others in the center, the Auaghir on the right.

The Parliament of Cyrenaica convenes in the capital of the colony twice a year, in spring and in autumn. The President is first elected from among the Moslem members, the election of other officers follows, and the schedule for the exercise of the assembly's functions is worked out. The Government of Italy is represented in the assembly by the Secretary General for civil and political affairs and by other ex-officio officials.

Parliament approves all orders concerning the application of fundamental laws before such orders are published, considers the direct state taxes and discusses such public utilities as do not carry estimates exceeding the allotments provided for them by the normal budget. Members of Parliament also have the

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privilege of addressing inquiries to the Italian Government concerning administrative matters.

The Government Council consists of eight members elected by Parliament from its own majority and of two members nominated by the Italian Government. This Council, besides determining the electoral districts and the number of representatives in Parliament, also chooses the district agents and decides other similar questions. Thus a high council of the nation's best-trusted men continues its supervision even when Parliament is not in session.

The scope of the Parliament's labors during the last three years may be judged by the fact that no fewer than sixty deputies were steadily present, as well as by the importance of the questions discussed. These included: the internal arrangement of the Assembly; regulations concerning Moslem religious authorities; regulations for Moslem tribunals in dealing with the nomination, confirmation, and revocation of *cadis;* educational laws. At the present moment the following projects have been submitted to Parliament by the Italian Government: juridical organization; regulations concerning the right of meeting and association; liberty of the press. The mere enumeration of these subjects shows plainly the sincerity of our intention to call the people of Libya to a real and effective collaboration with our government.

A detailed consideration of the above mentioned laws and projects would exceed the limits of these notes. It is impossible, however, to pass over in silence Italy's generosity in giving her consent to a thorough-going educational program for young Moslems, elaborated by the Parliament of Cyrenaica and already partly put into operation. This program is happily inspired both by Islamic tradition and modern educational principles.

In each of twenty localities in the interior of Cyrenaica there is established a *kuttab,* or primary school, with a three-year course taught in Arabic and conducted in accordance with the Koran, although the pupils are also given the beginnings of the sciences and arithmetic. Furthermore, elementary schools with a three-year course are founded at Bengasi, Gedabia, Merg, Cyrene, Derna, and Tobruk, in which Italian is taught side by side with Arabic, while the sciences, arithmetic, geometry, history, geography, and other subjects are given more extensively. There is also a secondary school in Bengasi, with a four-year course, which prepares merchants, accountants, candidates for public offices, and teachers in the *kuttab.* In addition, a

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superior school exists, with a three-year course, the graduates of which are qualified to enter the universities of Italy.

The mere fact that the first steps of a parliamentary régime have been made in Cyrenaica is a token of our disinterested attitude toward the Arabs of Libya. Under the friendly guidance of the Italian Government the patriarchal simplicity of tribal life in Cyrenaica has been gradually giving way to a greater complexity of organs and functions, corresponding to the increased needs and the general interests at stake. Now the period of organizing Parliament and the Government Council has been reached. The former is practically considered as an organ of the federation of tribes.

Whereas other nations had been trying to govern Arab tribes by keeping alive the bloody jealousies between *cabiles* and chiefs, Italy has made a new and bold experiment aimed at developing the conception of a fatherland comprising all of the little tribal territories. The Parliament had its period of severe trial during its constitution, for reactionary Senussi influences became stronger in the very groups of the population which in the beginning had been adherents of the fundamental laws. However, in October, 1921, the legal representatives of the tribes of Cyrenaica protested in Parliament against the Senussites speaking in the name of the people and condemned the action of the Senussites in seeking, even by violence, to prevent the gathering of deputies in Bengasi and the normal functioning of Parliament. General Bongiovanni, the present Governor of Cyrenaica, at that time ordered our troops to march against the rebel Senussites, and he was supported by a unanimous vote of Parliament —a Parliament which contained about sixty representatives of the tribes that were being conquered in the interior.

The approval given by these primitive people undoubtedly signifies their satisfaction with, and their recognition of, the régime of ordered liberty inaugurated by Italy. It also testifies to our having been faithful to our promise expressed by the Prince of Udine in the name of the King at the inauguration of the first legislative session in Cyrenaica: "By granting to Libya her fundamental laws and parliamentary institutions, Italy showed once more that her mission in the world is not that of imposing her own customs, laws and creed upon other peoples, but that of harmonizing diverse creeds, customs and laws in the interest of a common progress."

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THE NEW REGIME IN SPAIN

By R. T. Desmond

IT IS as difficult to find a word to describe the recent upheaval in Spain as it is to classify the *coup d'état* of General Primo de Rivera, Marquis Estella, among the many examples of military rebellions to be found in the modern history of Spain. The *pronunciamientos* of the last century,—amongst others that in 1874 of General Martinez Campos, in which another General Primo de Rivera, the present Dictator's uncle, took a prominent part,—were all made to the profit of some group or party. It yet remains to be proved that General de Rivera's revolt has been made to the profit of any party. Private controversy (the censorship forbids public) rages over this point; but three months of the new régime have failed to produce proofs that the former Captain-General of Catalonia rebelled with any other motive than to rid his country of its unpopular and inefficient professional politicians. All the groups, whether Maurists, Liberals, Democrats, Radicals or Reformists, which had at different times, severally or together, "held the frying pan by the handle," as the popular expression for governing the country goes, were turned out neck and crop, together with the smaller fry, the Carlist, Integrist, Republican, and Socialist parliamentary groups. None of them has benefited by the change so far. It would be too much to say that General de Rivera and his military collaborators have no political leanings. In His Most Catholic Majesty's Kingdom the Army is too closely akin to the Church as a Catholic institution for the Dictator—or President, as he prefers to be called,—not to incline by upbringing and station more to the Right than to the Left. Nevertheless, impartial observers must register the impression mentioned above, that the *coup d'état* has been to the immediate profit of no party.

THE CONSTITUTIONAL FICTION

To understand the situation that made possible General Primo de Rivera's unprecedented *coup*, it is necessary to recall briefly the situation created in Spain by the famous (or infamous) see-saw agreement arrived at over Alfonso XII's deathbed, at the Palace of El Pardo, by the political leaders of the day. The

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effects of the Pardo Pact have been operative ever since. By that pact the Liberal and Conservative leaders agreed to pass to each other the handle of the frying pan at regular intervals, on the understanding that, whichever of the two might be in power, the Opposition would help to keep out the others, *i.e.* such undesirables as Republicans and Carlists. The observance of this pact has been the key to Spanish politics ever since.

When the Liberal or Conservative turn came their nominees all over the country began their term of office, that is of "prey." These changes, wherein Liberals or Conservatives alternately became "top dog," affected the life of the country down to the smallest parishes; judges in the lower courts gave decisions in favor of the most favored *cacique*,[1] judges in the higher courts according to their party's wishes. The party saw to it that judges were removed if they followed any other course. Law suits were delayed or hurried, as would be most profitable. Roads or other improvements were built—or left unbuilt—according to the whims of *caciques*. The administration became choked with political nominees because there had to be two sets of officials. New posts were created; rarely were any suppressed. Administrative reforms of national importance were retarded, for what one party did the other undid.

An extreme centralist form of government made it possible for the supreme *cacique* of Spain, the Prime Minister, to execute his will. Certain forms were, of course, observed, but at bottom the constitutional system, copied from the British Constitution in 1876,—what a sarcasm!—has remained a fiction, chiefly owing to the Pardo Pact. The Restoration began by the edifying spectacle of the Minister of the Interior, Señor Romero Robledo, suspending over 7,000 Municipal Corporations for the purpose of "packing" the first general elections. He did this so successfully that only two Republican deputies were returned, whereas to the Constituent Cortes of 1869 no less than seventy Federal Republicans had been elected. Since then, although Republicanism has for other reasons died out, the elections have never been sincere. This is demonstrable by a thousand incidents, from the famous tale of the Galician agent who placed the polling table, guarded by two stalwarts, on the roof of a barn, down to the outrage committed on the person of Señor

[1]The word *cacique* was introduced into the Spanish language by Christopher Columbus, being the name of the native despots he found among the tribes of the New Continent.

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Besteiro, a Socialist candidate, who was locked into a latrine until after the election hour. Incidents of this character, which can be quoted down to the last elections (April, 1922), deserve to be recorded now that there is room for hope that their day is past. The insincerity of the elections has caused a situation in which there is no public opinion, and the lack of public opinion, as will be seen, is now the great obstacle with which General Primo de Rivera is confronted in his efforts at reform.

In the Civil Governors, appointed in each of the forty-eight provincial capitals, the Government has agents whose authority is so supreme that even municipal budgets are subject to their approval. In a word, the Prime Minister, through the Minister of the Interior, holds the country in the palm of his hand. For further security, beside the Civil Governor there is placed in each province a Military Governor. Only in turbulent Barcelona has the authority of these representatives of the Government ever been defied. The centralist organization, then, has done one thing for Spain,—it has rendered impossible the revolts previously organized so easily in the provinces by discontented politicians. General Primo de Rivera's *coup* is the exception of a rule unbroken for forty-six years.

What the centralist machine has never been able to break is the indomitable individualism of the Spanish character. The robust local life of the provinces and smaller towns has continued, with or without the support it should have received from the Government. At times of great stress emigration increased and whole districts became deserted. The hard-suffering peasants closed their homes and moved silently away. The provinces adapted themselves as best they could, and succeeded. It is a wonderful proof of the energies of the race that in spite of bad government the nation has prospered to the very considerable degree it has in the last twenty years. Those who knew the Spain of 1902, when Don Alfonso came of age, and compare it with the Spain of today, can testify to the progress made by sheer exuberance of vitality.

A few figures will show the inefficiency of the administration. The revenue of the last Budget was 2,592 million pesetas,[2] while expenditure amounted to 3,830 million pesetas. The deficit, therefore, exceeded 1,200 million pesetas; it has averaged 1,000 millions in the last three years. It costs nearly 400 million

[2]The dollar today is worth about 7.82 pesetas.

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pesetas to collect the revenue of 2,592 million pesetas. In a nation where 60 per cent of the inhabitants are illiterate, the Education Department estimates amount to 172 million pesetas, while the War Department gets 532 millions. In a country where there are still more than 4,000 villages inaccessible to wheeled traffic, through lack of roads, the Government between 1909 and July, 1922, spent on the mad adventure of Morocco the sum of 2,494 million pesetas, a sum which might have been used to revolutionize the whole economic life of Spain.

Neither the intelligence nor the perspicacity of Spain's political leaders can be held responsible for the failure to discern the baseness of the political fiction and the need for reform. The absence of hypocrisy among the professional politicians is perhaps their one redeeming feature. Speaking of *caciquismo*, an official report of more than a decade ago read: "*Caciquismo* functions in an orderly fashion worthy of a better cause. What may be called the hierarchy of its functionaries is constituted by a central oligarchy in Madrid, a regional or provincial *cacique*, one in each municipality, and the subaltern agents that may be considered necessary. The Boss, who from the capital leads the pack, is generally a lucky politician who owes his rapid career to an inherited title or fortune or to his especial talent for fishing in the muddy waters of the political pond. A man of great daring and few scruples, he is distinguishable often, in spite of pronounced religious leanings, by his nimble cleverness in handling intrigue. From magistrates down to road-menders all public functionaries must render homage to him, and individuals who desire to see their rights recognized are lost if, in one way or another, they do not ingratiate themselves with him."

The above pen picture is copied from a remarkable official report that runs to many pages. Pigeon-holed, it has never been of any practical value. The labor of the eminent men who drew it up has been, except as a contribution to history, utterly vain.

Don Antonio Maura had been twice Prime Minister when he made the speech from which the following is an extract: "It has become traditional that public office in Spain is neither exercised nor sought after for the purpose of protecting rights, upholding justice, encouraging culture, developing prosperity or directing the life of the nation along the channels to which the national genius fits it. . . . Underneath the constitutional framework, what really exists is a chieftainship (*cacicato*) which edits

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the official Gazette and distributes the state revenue. The political parties fight for this tool. . . . Systematic sedition in the name of order; violence and proscription in the name of liberty; democratic intrigue at the back-door of barracks; all imaginable forms of factious life. Never obeisance to abstract authority, nor neutrality in the application of the law, nor moderation in authority, nor perseverance to vindicate right, nor tenacity to exercise the functions of citizenship. . . ."

Since making this speech Señor Maura has been three times Prime Minister, and his followers have collaborated in other governments. He is the *doyen* of Spanish Premiers, one of the most respected men in Spain, yet he and his party failed ignominiously, just as other Conservatives and Liberals failed, to lead Spain out of the marsh that clogs her feet. Quotations such as the foregoing could be multiplied, from all parties and all sides, though they could hardly be more convincing. Only a few months ago Don Francisco Bergamin, ex-Minister of Finance, speaking in the Academy of Jurisprudence, lamented the fact that justice was sadly deficient in Spain. Nobody, not even General Primo de Rivera who was present, dissented.

However, the disgust of the average Spaniard with the inefficiency of the administration is not sufficient to explain the de Rivera *coup*. Spain could have gone on living its own life indefinitely.

THE ARMY AND POLITICS

The army of Spain came back discredited from the lost colonies of the New World. The navy did not come back. It had perished gloriously. The Spanish navy has no dark political history of latter years. The army has, and the army leaders are to blame, for they failed to learn the lesson of the colonial disasters and did not mend their ways. The military schools remained backward and inefficient. Barracks were insanitary and pay poor. Hundreds more officers than were needed continued to be turned out annually. In 1921 the names of 369 generals (172 on the active list and 247 in the first reserve) sprawled across the army list for an army of 311,000 men. Graft continued rife. The Moroccan adventure, to which the Maura Conservative Government committed Spain in 1909, was a necessary outlet for congested cadres. It nearly brought about a cataclysm when troops revolted at Barcelona while being em-

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barked for Melilla, but the "bloody week" disturbances which ensued there were put down with an iron hand and the campaign continued. It was unpopular with the nation, which has never understood the necessity for it. But war with the Moors —*guerra con los Moros*—was news that had been so often carried across the wastes of Castile and into the furthermost recesses of the mountains of Asturias and the Pyrenees that the peasant parents accepted the hardship for their sons with characteristic resignation. The saner part of the army, however, became discontented with its own inefficiency in Morocco and turned on the Government. The officers forming the most numerous class in the army, those of Infantry, whose lot was the hardest in the campaign, formed a Union. Their discontent coincided with the contempt and disgust in which the general public held the Liberal Government of the day, and when the Union declared itself in open rebellion at Barcelona in June, 1917, it had public opinion with it.

There is written evidence (which the writer has seen, but which is still hidden away in secret archives) to show that the first phase of the "*Juntas Militares*" movement was anti-monarchical and that its leader, Colonel Benito Marquez, made overtures to certain foreign embassies. As the Union had refused to admit on its roll any officer above the rank of colonel, it had all the generals against it. These, combined with the politicians and reinforced by the influence of the King, soon cajoled the mass of the Unionists to their side by the simple, but from the national point of view costly, expedient of buying them off. Señor Lacierva, a typical professional politician, became Minister of War. Without consulting Parliament he gave enormous increases of pay to officers by "Royal Decree," that is to say on the sole authority of a ministerial decision countersigned by the King. Insults such as this the Cortes had often swallowed, but none more blatant. Colonel Marquez left the country and went to Cuba. There he surrendered to a friend most of the documents concerning the sedition of 1917, and they were published last year in book form in Havana.

The army, however, did not mend its ways. Augmentation of pay did not increase its efficiency and the desultory "war" with the Moor continued a drain on the Treasury without profit to the nation.

In July, 1921, General Silvestre, a court favorite, operating

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against the Riff Chieftain, Abdul Krim, in the vicinity of the Bay of Alhucemas, while General Berenguer, High Commissioner for Morocco and Commander-in-Chief, was engaged in the Beni Aros mountains against Raisuli, brought disaster on himself by imprudence. His army of 14,000 men broke and ran. Silvestre committed suicide. More than 10,000 of his men were massacred by the Moors in the rout that ensued,—a repetition of Adowa. Artillery and large quantities of ammunition and stores were lost. In all, the prestige of the army received its greatest blow since the Cuban campaign. One thousand prisoners,—officers and men, and civilians including women and children,—were taken by the Moors. After eighteen months of terrible captivity, during which half of them died from privation and disease, the remainder were ransomed for 4,000,000 pesetas. In Spain, however, there was a reaction. Public subscriptions were opened to purchase aeroplanes and Red Cross stores, and every sacrifice was undertaken in the effort to retrieve the national honor. For a time the campaign became nearly popular. But the advance, when it was resumed, was conducted so slowly (though 150,000 Spaniards were opposed by only a few thousand Moors) that discontent and disapproval became as real as before. A call for the assignment of "responsibilities" ran through the land from end to end. Parliament echoed the feeling, a healthy sign. The Supreme Council of War and Marine showed a disposition to see justice done on a number of cowardly officers who had been incriminated in the Annual disaster. A Parliamentary Commission began to sit and collected evidence incriminating former Ministers of War and the ex-Commander-in-Chief, General Berenguer. At this juncture General Primo de Rivera's rebellion took place.

THE COUP D'ETAT

Several circumstances, which may be only coincidences but which even so are extraordinary, accompanied the rebellion. Ex-Colonel Benito Marquez returned from exile in Cuba a few weeks previously and formed a party, the *Tracistas*, who now wear blue shirts and support the Military Directory. Colonel Nouvilas, the last colonel to preside over the officially defunct *Juntas Militares*, was one of those in the confidence of General Primo de Rivera and is now Secretary of the Directory. General Primo de Rivera, while Captain-General of Barcelona, was

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on intimate terms with the manufacturers, of whom many belong to the Separatist group. It may also be recalled that Don Jaime, the Spanish Pretender, spent some time in Valencia and Barcelona during the period of conspiracy preceding the *coup*. It will be for future historians to explain what connection there was between General Primo de Rivera and anti-Alfonsino circles. Possibly he was merely acquiring information so as to get an insight into affairs of state, possibly simply estimating existing conditions and providing for eventualities. That an officer of his traditions and standing in Spanish society and at Court should have been intriguing with enemies of the King with a view to upsetting the monarchy seems very improbable.

The *coup* was pulled off with the greatest ease. General Primo de Rivera laid his plans thoroughly. He even went so far as to inform privately the Spanish Ambassadors at London, Paris, and Rome of his intention so that they might be able to reassure the governments to which they were accredited. Such thoughtfulness and daring on the part of a conspirator is rare. General Sanjurjo, Military Governor of Saragossa, and the Military Commanders of the three Infantry Brigades quartered at Madrid were the other chief conspirators. Saragossa, midway between Madrid and Barcelona was of great strategical importance. Sanjurjo swore he would carry the garrison with him or be thrown out of the barrack window.

Señor Alba, the Foreign Minister, whose functions kept him at San Sebastian with the Court and the Embassies during the summer, was the first to scent danger in the air. He immediately sent word to Premier Alhucemas at Madrid, but before the latter had time to act Señor Alba, thoroughly scared by a threat that the rebels intended to shoot him, was across the frontier. The fate of the Greek Ministers was too recent! Marquis Alhucemas, moreover, showed no military instinct, nor even a faint desire to resist. He told the Minister of War, General Aizpuru, to communicate with the Captain-General of Barcelona and ask him what it was all about. General Primo de Rivera, when taxed with the matter, politely informed his chief of his plans. The Minister expostulated: "But I am the Minister!" At this point of the "conversation," which—such is the custom in Spain—takes place each party having a telegraph clerk beside him who transmits questions and reads the answers off the tape, General Primo de Rivera merely broke the tape and issued his

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operation orders. The Government constituted itself in permanent session and communicated with King Alfonso. But the latter, though on occasions he has reached Madrid in six or seven hours after being called, was in no hurry. He took twenty-four hours to answer the Premier's call. By then everyone knew that the majority of the garrisons in Spain were ready to support Primo de Rivera, whose first care had been to declare his loyalty to Don Alfonso XIII. On His Majesty's arrival in Madrid, Marquis Alhucemas proposed the immediate arrest of the rebellious generals and the re-opening of Parliament. His Majesty said that such grave proposals required reflection before he could assent, whereupon Marquis Alhucemas resigned. Within twenty-four hours General Primo de Rivera was at the head of a Military Cabinet, called the Directory, and within another forty-eight hours the Sovereign Cortes was dissolved.

Europe in general hailed General Primo de Rivera, Marquis Estella, as a Spanish Mussolini. Beyond the energy with which he acted, however, General de Rivera took few leaves out of Mussolini's book. He would have nothing to do with Parliament, whereas Mussolini faced the national representatives and met constitutional requirements in so far that he wrung from them a bill conferring extraordinary powers. Should the entire edifice of Fascismo disappear tomorrow, the authority of the Italian King would remain and the Italian Constitution would still exist. Should Primo de Rivera disappear tomorrow, and with him Riverismo (for the two are identical), the situation of Spain would be quite different. The Moderating Power would be left seated on the throne with no one to moderate. Every Spanish patriot catches his breath at the thought of the dangers lurking below the surface.

Since securing the dissolution of the Cortes, which according to the Spanish Constitution is itself a participant in sovereignty since it shares with the monarch the duty of representing the nation, General Primo de Rivera has led the King one step further down what may be a ladder over the ship's side. The Constitution provides that within three months of the dissolution of one Cortes another Cortes shall be called, and in Article 32 it imposes upon the King the duty of convoking a Cortes within the said period. This is the only occasion on which the Constitution uses the word obligation in connection with the King. It is surely the gravest injunction imposed upon the

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Monarch to safeguard the liberties of the nation. And it has been overridden. On September 17th last the Cortes elected in April, 1922, were dissolved. December 17th arrived and the only notice the King and the Dictator took of the constitutional injunction was to dismiss from office the Speakers of the Chamber of Deputies and the Senate who had dared to solicit an audience to remind His Majesty of the duties he had sworn to uphold.

The political situation in Spain today is therefore a Dictatorship which acknowledges no other source of power than the point of the sword—rather, one might say, the flat of the sword, for only a menace was needed to chase away the pusillanimous politicians. The Dictator has the whole-hearted support of the King and invokes a mandate from public opinion, but so far, beyond the evident fact that everyone is glad that the professional politician is gone, no remarkable movement of public opinion has come forward to support the Directory. To sum up, a completely successful *coup d'état*, a submissive nation, a profound constitutional crisis, a powerful centralist organization—the Military Directory—these are the elements of the situation today.

THE DIRECTORY

The Directory as a machine is simplicity itself. As at present constituted (it succeeded a provisional Directory of five Generals which was only in office a few days) it is composed of eight generals and one admiral, with General Primo de Rivera as President. None of the generals is a minister otherwise than ranking as such for honors, the use of official motor-cars and so forth. The President alone is responsible to the King, who in turn countersigns all the Decrees approved by the Directory. These are submitted by the President over his sole signature and become effective on publication in the Gazette.

Up to December 21st the Directory sat daily and transacted an enormous mass of business. 18,920 questions were dealt with, 8,122 of them being passed on to the Departments and 3,614 being made the subject of a special report by a General. After that date under-secretaries were appointed to the different Ministerial Departments and ordered to carry on, reporting daily to the Directory. This ended the destructive, or disruptive, period of the Directory's task. The constructive period has now begun. Since the advent of the Directory martial law

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prevails. The Military Governors everywhere took over power from the Civil Governors, the constitutional guarantees were suspended, and persons and property may be seized at any moment. The regular police force has been reinforced by the extension to the rest of Spain of a body of local constables called the *Somaten* (armed with muskets), which for centuries has rendered yeoman service in Catalonia. The *Somaten* mobilizes immediately in times of crisis and reports for orders to the local Military Governor. Some 500 officers, volunteers from active service or retired officers passed as physically fit, ranking from Lieutenant-Colonel to Captain, have been enlisted and sent to the chief towns throughout Spain to act as mentors to the new local authorities, to inspect administrative acts, to report on the execution of the laws and regulations, and in general to stimulate active public life in all its branches, not omitting the boy scouts.

The first blows of the Dictator were aimed at *caciquismo*. "Boss rule must now be torn up by the roots." This cry proclaimed far and wide brought joy to the hearts of all those, and they are legion, who had suffered at the hands of tyrants in town and country. The dissolution of the Cortes was acclaimed. The useless tongue-wagging Deputies were gone! The Juries were suppressed. Now there would be a chance of criminals getting their deserts! The sudden dismissal one fine morning of the 9,254 Municipal Corporations was also acclaimed except in certain towns (a considerable number, especially in the north) where the municipalities were efficient. The hue and cry raised against idle state employees was echoed far and wide. (The Directory in this connection has not proved too severe after all, only 100 out of 5,000 were really dismissed, and only four hours of office work, 10 A.M. to 2 P.M., is now required.)

One of the first acts of the Directory was to enact severe penalties against Separatists. Hundreds of these were hounded out of Barcelona. The use of the Catalan tongue and the display of the Catalan flag were restricted. No extraordinary measures of protection, other than the special ones already enjoyed, have been extended to the manufacturers of Catalonia, but they owe one great benefit to the Military Government: terrorism has been stamped out. No longer is the gunman supreme in the streets and workshops of Barcelona or other industrial centers. A couple of summary executions had an immediate effect. From March to September the total of dead

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and wounded workmen or factory owners was 201; from September until the end of the year it was only 10.

An inspecting commission, invested with full powers, was also appointed to inquire into the conduct of the judicial branch of the administration. Its task has been completed within the two months stipulated, with the result that fifteen magistrates have been dismissed from office and 4.45 per cent of the magistrature reprimanded. Dishonest traders have been fined wholesale. Free passes on railways and tram lines have been suppressed. No new posts can be created in Ministerial Departments, including the War Office, until the staff of civil servants has been reduced 25 per cent. Whenever a servant or official, no matter of what rank, retires or dies, his place remains unfilled; the Department must carry on without him.

Such are a few of many administrative reforms the Directory has to its credit.

THE OUTLOOK FOR THE DIRECTORY

The foregoing narrative of events may serve as a basis upon which to make some comment.

General Primo de Rivera acted on an impulse. Like many of his countrymen he was "fed up" with the errors and faults of successive governments, their lack of drive, their incompetence. He saw the army badly led in Morocco and discredited at home. The last straw, he declares, was when a pardon was extended to the guilty members of a regiment which had revolted at Malaga, on the eve of embarkation for the front, and murdered one of its officers.

The complete success of the rebellion and its bloodlessness justified the General's contention that he voiced the feelings of most Spaniards, but the utter failure of the following three months to produce any body of collaborators for the Directory is pregnant with meaning. It signifies that there is very little conscious citizenship among the Spanish masses. There is patriotism in both high and low circles, but of public opinion, organized or unorganized, there is practically none. The constitutional fiction of the old régime kept it under. It cannot be expected to blossom suddenly from under its stone.

This lack of backing is a great handicap to the Directory. Without a party or Parliament, just nine lone general officers, bereft of experience in public affairs or habits of statesmanship,

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it finds itself terribly at sea on many questions. It is fairly competent to deal with many details of administrative reform, but it is manifestly nervous in handling larger issues. At first the Directory declared itself to be only a temporary organization. It expected to complete its task, it said, within three months. Before the three months had passed General Primo de Rivera declared he would have to remain in power much longer, for it was apparent that *caciquismo* was dying hard. The Directory therefore may now be considered permanent. But its embarrassment in its isolation is tremendous, as the following survey of the Tangier problem will show.

FOREIGN POLICY

The Tangier Convention

When the Directory came to power it found conversations under way between England, France, and Spain for a rediscussion of the International Statute for Tangier. A statute had been negotiated in 1914, but Spain's refusal to sign at that time had held matters up. After the Great War it became necessary to readjust the statute. This has now been done, the Spanish plenipotentiaries, however, signifying their failure to secure recognition of the Spanish point of view by signing only "ad referendum." The Spanish plenipotentiaries alleged that with Tangier forming an *enclave* in the heart of the Protectorate, Spain's difficulty in carrying out her civilizing task in Yebala and the Riff will be increased and that all the fruit to be borne of Spanish efforts will be plucked by foreign hands.

The Directory was put in a quandary whether to ratify the Convention or not. It was quite evident that France and Great Britain were preparing to "*passer outre*" should Spain refuse, though it was not clear what form of action they could take to internationalize Tangier without Spain's participation. The Cortes being dissolved, the Directory in desperation raised the censorship in the hope that the press might be able to make some helpful suggestions; but though a great number of articles were printed nothing more helpful in the way of advice to the Directory was forthcoming as an alternative to sign, than not to sign.

The dilemma was serious. It afforded an opportunity for a revision of Spanish policy which the Directory was not in a position to seize. If there has been any clear manifestation of national opinion of recent years it is that the nation is averse to the

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Moroccan adventure. There is no more certain economic fact than that the expenditure swallowed up in the adventure is the root cause of the budgetary deficit and a wall built across the way to Spanish regeneration. While gold flows like water in Morocco the Castilian plain is parched for want of irrigation, the oldest villages in the world are crying for roads and schools, humble homes are full of children whom the Government will not educate but on whom falls the heaviest burden of all. Personally, General Primo de Rivera has expressed his disapproval of Spain's African policy. Military experts agree that in case of war the possession of the Protectorate would be a source of weakness rather than of strength. This was, if ever, the obvious moment for Spain to withdraw, with the advantage, moreover, that very appreciable compensations might be obtained from one or other of the parties anxious to take Spain's place. Nevertheless, the Directory has decided to ratify the Convention. Spain is to continue with the cannon ball attached to her feet in the Protectorate and with new commitments in the international duties undertaken at Tangier.

Spain, Great Britain and France

Spain's trade interests bind her to Great Britain and France far more closely than to any other countries. England purchases her ore and fruit, France her rough wines. France is her neighbor by land, England her neighbor by sea, whose shipping fills her ports. Rupture of the *Entente Cordiale* would be deeply deplored in Spain, but it could hardly affect fundamentally her relations with either of these countries, unless, in the event of hostilities, her intervention was solicited. In this connection it must be remembered, however, that Spain's military organization is purely defensive and is deficient in modern equipment.

Italy, Spain and the Vatican

Alliances between nations can only be based on very close mutual interests or formed for purposes of national defense. The former at present do not exist between Spain and Italy, nor is either nation threatened from without. General de Rivera and Mussolini have impulsively grasped each other's hand and have proceeded to conclude a commercial treaty which contains certain utopian provisions, such as that Spanish and Italian produce must not compete with each other in world

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markets and that Italian industries must try and burn Spanish coal (which is so inferior that Spanish industries will not use it). Mussolini and his new friend may have discussed plans for the guardianship of the Mediterranean in the event of a possible French hegemony, but before Spain can count seriously as a maritime power her naval forces will have to be signally increased. She only possesses six modern submarines, for instance, and of her three small capital ships one is a wreck on the rocks of the Riff Coast.

The real object of King Alfonso's visit to Rome was to salute His Holiness, the Pope. Here again, however, Spanish diplomacy has not shone, for although His Majesty had the intention of asking some very definite favors and of making himself the spokesman of the South American episcopate by soliciting a more numerous representation for them on the benches of the Sacred College, the way for the petition was not paved by previous representations in the right quarter, nor even by the courtesy of communicating to the *Curia* the substance of his speech. The Pope's reply was extremely non-committal and no action has followed.

Iberianism and Pan-Iberianism

For the last decade Hispano-Portuguese relations have improved steadily, and if communication between the two countries were subject to fewer obstacles there would be even greater and more friendly intercourse. As it is, it takes longer to reach Oporto from Madrid—260 miles—than to reach Paris—670 miles. Seville and Lisbon, distant from each other 200 miles, are a day's journey apart. But inter-university visits, scientific congresses, historical celebrations and sport rivalries are steadily making for greater intimacy, and this at some distant date may lead to a pooling of electric power resources and a "zollverein." Portugal, though possibly worse governed than Spain, is as full of local vitality and prosperity.

Spain's dream of voicing Latin-American aspirations is far from being realized. When the Latin Republics joined the League of Nations Spain hastened thither, but Pan-Iberianism in any form remains little more than a word, a rallying cry for hysterical patriots. No practical basis for coöperation has yet been found. However, useful work is being done towards strengthening the spiritual ties uniting Spain with her emanci-

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pated daughters. A current of scientific and literary intercourse is being maintained. Spanish professors occupy chairs in Argentine universities and special missions are continually passing to and fro. The coming voyage of King Alfonso to South America may perhaps mark an epoch of better understanding, which in itself is a worthy goal for the governments of Old and New Castile.

SUMMARY

Though the army has tried to make of Morocco a second Cuba, there has been sufficient national pulse to sound an alarm. This the man who planned the Directory has heard, and it must be recognized also that in the Spanish army today there are cultured and studious men. These have taken the lead according to their lights, and as long as internal peace and order are maintained something is being gained all the time for the country's progress. Barring possible accidents—such for instance as the sudden demise of General Primo de Rivera—there are in sight no obstacles to a long period of office for the Directory, unless it should tire of its duties. The Directory is—up to the present time at any rate—the army.

The Church, that second great power behind the throne of His Catholic Majesty, approves. Bishops have issued pastoral letters in praise of the new champions of law and order. Other Bishops have thrown their arms round General Primo de Rivera and embraced him publicly in the streets. General Primo de Rivera, standing with the King on the steps of the Papal Throne, is, in the eyes of the clergy, a symbol. And the clergy in Spain count. Their schools and charitable institutions fill a want which the state has neglected to satisfy. Señor Canalejas, the Democrat Premier who was assassinated in 1912, and who was instituting a policy of liberty of cults, always acknowledged the immense debt Spanish society owed to the religious orders. The Directory, therefore, will not be obstructed by the Church nor will it raise any question likely to create difficulties with the Church. There is no cause for the one, there is no need for the other.

We have seen that between *fascismo* and *riverismo* there can be no real comparison, though the example of Mussolini has been inspiring. General Primo de Rivera had no black shirts. He has now a few blue ones, but they are only the outcome of a

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local effort at organization in Catalonia, nothing more. Nationalism, which in *fascismo* stands for so much, in *riverismo* is of little account. In Italy, *fascismo* stands for union. In Spain, where Catalonia and the Basque provinces still retain very considerable administrative privileges, *riverismo* might stand for disunion were General Primo de Rivera to commit the terrible mistake of unifying the administration of Spain as the administration of Italy is unified. There is already a feeling of great uneasiness in Biscay, where the interference of Madrid in local affairs is feared. The Directory has declared war on Separatism, and the Catalan language and flag are proscribed as they never have been. Separatism is at bottom a bogy, for Catalonian industry without the markets of Spain and the high protective tariff would be ruined, and the Catalans are not such bad business men as to want to cut their own throats; but they like complaining of Madrid and its bad administration of national resources. With a little firmness, and granted that the administration improves, the separatist agitation will subside.

To sum up, the great need of Spain is stability of government and her great problem that of rendering more efficient the administration so that national vitality may be encouraged to assert itself. The danger is that the Military Directory may fall into the nets the old politicians are spreading everywhere. A conscious body of public opinion cannot be bred in a day in a backward country like Spain, and should the Directory abandon power before such a body begins to come to the fore it will have failed in its main purpose. The best tribute paid to the Directory is that the workers,—who form the real Spain, which is by no means inhabited solely by *toreros*, dancing girls and idlers,—have so far accepted the new régime and are working willingly under it.

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JAPAN'S NEW POLICY IN KOREA AND FORMOSA

By Ralston Hayden

BARON MAKOTO SAITO, Governor-General of Korea, stated the fundamental principles of the colonial policy of the Japanese Empire in three terse sentences: "The economic development of the country must come first. Education and the raising of the standards of the people will follow. Afterwards political development may be possible." He was discussing the problems of Korea, but his words describe perfectly the course which his country is following in every colony over which floats the banner of the Rising Sun. Prior to 1919 this policy was carried out by the application of naked force. In that year, however, the velvet glove of conciliation and "attraction" was slipped over the iron hand of Japanese control in Formosa and Korea, Japan's greatest colonies. The new methods by which these dependencies have since been ruled are being closely watched by the governments having large interests in the Far East. The United States in particular is interested in this newest phase of Japanese colonial policy not only because it has an important bearing on the general question of peace in the Orient, but because it offers some striking contrasts with the policy which America has followed in the Philippine Islands.

Japan acquired her first large colony, Formosa, in 1895 at the end of her victorious war with China. The island is about the size of Massachusetts and Connecticut combined. It lies ninety miles off the China coast, less than six hundred miles south of Japan and approximately two hundred miles north of the Philippines. The population consists of about 3,500,000 Chinese, 80,000 Malay aborigines and 160,000 Japanese.

The traveler in Formosa is soon impressed with the truth of Baron Saito's statement that under the Japanese system the economic development of the country comes first. He sees splendid harbor works and port facilities, visits substantial and handsome public buildings that are far superior to those of most American states, and rides over a well built, excellently equipped and efficiently operated railroad system. He travels through two hundred miles of agricultural land that is as intensively cultivated as that of Belgium, and inspects enormous and grow-

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ing industrial plants. Wherever he goes he observes all of the external evidences of prosperity.

If he turns to history and statistics the investigator discovers that this prosperity is genuine and that without question it is a result of Japanese rule. When the Japanese took over Formosa its annual imports and exports amounted to just a little more than 20 million yen; in 1921 they were worth more than 286 million. Until 1905 Japan annually subsidized the government of Formosa to the extent of millions of yen; for the past eighteen years the colony has made annual contributions to the Imperial treasury. The Japanese have introduced scientific methods and abundant capital into industry, agriculture, fishing, mining, and forestry. They have created a modern transportation system. Above all, they have established a rule of law maintained by a reasonably honest and efficient government. Given these advantages, which it never had under the Chinese Empire and apparently could not yet expect as a province of the Republic, the Chinese population of Formosa has done the rest.

The remarkable economic development of their country under Japanese auspices has not, however, escaped the bitter criticism of the Formosan Chinese. Japan's policy, they believe, is simply that of vicious exploitation. In the early days of the occupation they were robbed of the richest lands in the island by terror and chicanery. The Japanese Government has monopolized the production and sale of camphor, tobacco, salt, opium, sake, and other spirits, the most profitable Formosan industries. The Formosans claim that their resources and labor are exploited by Japanese capitalists, and that the tariff laws give Japan a monopoly of the market and compel them to pay monopoly prices. In a word, it is their belief that the Japanese and a few rich Formosans whose political support they have purchased are the only ones who profit by the development of the country.

Investigation on the ground leads to the conviction that there is much truth in this indictment. On the other hand, there is no doubt that the lot of the common man is immeasurably better in Formosa now than it was before the Japanese occupation, or than it is in China. As for the higher class Formosans, they are beginning to participate more generally in Japanese enterprises in the island, and doubtless will obtain a larger share of the profits.

The visitor in Formosa also discovers the truth of Baron Saito's dictum that education and the raising of the standards of

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the people will follow economic development. He finds that Formosan cities are among the cleanest in the Orient, that they are well equipped to perform all of the manifold services expected of modern municipalities, and that they are efficiently managed. The same praise might well be given to the educational system and to the departments of sanitation and public health. In 1895 Formosa was justly considered to be one of the most unhealthy countries in the world. Today no part of the Orient has more favorable health conditions, while a comparison of the Formosan health and medical services with those of the Philippines, for instance, is distinctly to the disadvantage of the latter.

"Afterwards political development may be possible," said Baron Saito. Is it possible in Formosa while that island remains a part of the Empire of Japan? The Japanese say that they hope so and that the colony is now entering this third and most delicate phase of its development. The Formosans are skeptical and point to the record of the past to justify their lack of faith in the future.

For seven years after 1895 the Japanese army practically ruled Formosa. During this period the organized resistance of the Chinese population against their new sovereign was broken, banditry was stamped out, and the savage aborigines were brought under control. At the end of 1902, for the first time in its long history, law and order prevailed in the "Beautiful Isle." Life and property had become as safe there as in Japan. The reign of the soldier was followed by the rule of the policeman. When Viscount Kodama became Governor-General in 1902 he gradually limited army activity to military affairs and exerted his authority over the people chiefly through the medium of a Japanese police force. Japanese as well as Chinese residents in Formosa declare that the policeman was a harsher and less considerate master than the soldier. Frequently he was of a distinctly lower type than the police in Japan proper. He held his Chinese wards in contempt, often spoke their language haltingly or not at all, and was apt to regard his short, blunt sword as the means best fitted for explaining and enforcing government ordinances. These ordinances regulated every aspect of life in Formosa. They were, and are, extremely galling to the Chinese population, for the Chinese are individualists who put personal liberty among the first of the desiderata of life.

Prior to 1920 scarcely a trace of self-government could be

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found in this oldest Japanese colony. The governmental organization was, and is, simple. At the head of the bureaucratic hierarchy stand the Governor-General and the Director-General of civil administration. They administer the government through the bureaus of the government-general, the governors of the seven provinces, and the chiefs of the fifty districts into which the island is divided. All of these officials are members of the Japanese Civil Service, an organization which exhibits the usual virtues and defects of highly trained bureaucracies. This hierarchy is paralleled by a series of police officers, directed by a bureau of police in the central government. Within the towns and villages the people are divided into small groups, for each of which a native headman is made responsible.

In 1919 the Imperial Cabinet took the initial steps towards the liberalization of this autocratic system of government. Baron Kenjiro Den, a distinguished liberal statesman, became the first civilian Governor-General of Formosa, and a series of important reforms was undertaken. With the chief executive officer of each of the political divisions of the island was associated an advisory council. These councils are appointed and are composed of Japanese officials, private Japanese residents of Formosa and Formosan Chinese. Their functions are advisory only and obviously they are completely under the control of the government. Nevertheless they do afford an official channel for the expression of popular opinion; they may be able to influence, even though they cannot possibly control, official action. In Formosa great differences of opinion exist as to their value. There seems to be a general feeling, however, that the local councils are giving the people some voice in the administration of local affairs.

Coincidently with this extension of political privileges the government adopted the policy of offering to Chinese Formosans educational opportunities equal to those afforded Japanese residents. From their first days on the island the Japanese had furnished primary schools for Chinese as well as for Japanese children. Instruction, however, was in the Chinese language, the schools often were inferior in quality, and it was only in exceptional cases that Chinese children actually passed into the higher institutions, in which Japanese alone was spoken. "This is manifestly unjust," said Baron Den. "It is eminently proper that we also grant them opportunities of education not inferior

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to those available to our own children; that we encourage them to develop; that we foster men of genius in all walks of life, thereby increasing the resources of our country. And it is with this in view that I have made it possible for Formosans *qualified in the Japanese language* to enter schools for Japanese children. Excellent results have already been obtained, with incalculably good effect upon *our policy of assimilation.*" (The italics are the writer's.) As a further measure of assimilation with Japan the Imperial Civil and Commercial Codes have recently been extended to Formosa. Although the displacement of the old Chinese law may cause some temporary confusion and hardship, yet it will give Chinese Formosans many rights which they have not hitherto possessed, and will put them on a legal equality with the resident Japanese.

The professed goal of the recent reforms in the administration of the island is the "Formosanization" of the government and, perhaps, its ultimate assimilation with that of Japan. The writer believes that this is the real purpose of the Japanese. Whether they will have the political sagacity and the courage to accomplish it,—whether, indeed, it is possible of accomplishment,—is another matter. Twenty-seven years of despotism is not a very sure foundation upon which to build liberal institutions. A large number, probably a majority, of the politically active Formosans will not even admit the sincerity of the government's intentions. A mass meeting of Formosans residing in Tokyo recently adopted and distributed resolutions criticising Baron Den's administration bitterly. A paragraph from this manifesto, translated into English by a Japanese, sets forth some of the political grievances of the nationalists and reveals their general attitude towards the "sham reforms:"

"According to the present system of government in Taiwan, the powers of making laws, judicial and other acts of administration are vested in the Governor-General. It is really a despotic government. The Governor-General does not understand the real will of the Formosans, who have special life and customs. He does nothing but hoodwink the people by establishing false self-government, by allowing Formosans into Japanese schools,—not actually carried out,—and by promulgating dead laws allowing Formosans to become higher officials. As an instance of maladministration we point out the rigorous laws governing the punishment of rioters, unlawful disposition of loafers, compulsory labor, intervention in sugar cultivation and its

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sale, requisitioning of money and land, etc. Thus the government infringes upon the rights of the people and they are able to do anything they want. The almighty government! . . . The lawful organization of the Political Society Claiming Legislature in Taiwan was prohibited, to the great disappointment of Formosans who rely upon the Japanese Empire. The magazine *Taiwan* was prohibited distribution, as it contained articles by noted men of Japan on the claim of Formosa for a separate legislature. 3,600,000 Formosans have no recourse for redress, enduring oppression and humiliation. Such an attitude of the government only tends to provoke the ill-feeling of the ruled, and is not the one to be taken by wise administrators who wish ultimate success in the administration of the island."

This manifesto could not have been issued in Formosa. The expression of public opinion there is made practically impossible by the government. But Formosans in Japan, Manila, and the China coast cities tell whom they can that their people will never cease to resist assimilation, and that China will not rest satisfied until the Japanese are expelled from this old Chinese province. Occasional flashes in Formosa itself reveal the forces of discontent that are normally concealed by the Japanese machinery of repression. A number of strikes of a revolutionary nature have occurred in the upper schools; upon the occasion of the visit of the Prince Regent last April 532 prisoners who were in jail for revolutionary activities were given commutation in their terms of imprisonment. A highly intelligent Japanese gentleman told the writer in Formosa that, "It is now a race between liberalization and revolution."

More than a quarter of a century of despotic Japanese rule in Formosa, then, has produced the following results: law and order, economic prosperity, elevated standards of living, widespread education, and rising political discontent. The writer believes the Japanese Government realizes that if it cannot solve the political problem with which it is now faced, its remarkable material achievements in Formosa will, in the end, avail the Empire nothing.

In Korea the Japanese have applied the general policy and many of the methods which they first developed in Formosa. The economic results bid fair to be equally satisfactory, although the problem is both greater and more complex. No one who has not seen with his own eyes what the Japanese have done in Korea can appreciate their truly remarkable accomplishments.

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Railroads, steamship lines, hotels, banks, mines, afforested mountain sides, scientific agricultural projects, schools, hospitals, and cities of stone, brick and cement are the visible products of the marvelous mechanism of colonization which Japan has built up during the past generation. No country has ever created such a complete, well organized, abundantly capitalized and ably directed organization for the economic penetration and conquest of other lands.

Thus far the masses of the Korean population have appreciated the ministrations of their foreign rulers about as heartily as our early activities in the West were relished by the Crees and the Sioux. Yet they are on the ground, 17,500,000 of them. They possess a national history, national institutions, and a national consciousness that are more ancient than those of Japan herself. If they are lazy and decadent they are also proud and stubborn. Unlike the American redskins they can not be brushed aside, driven out, nor exterminated.

The Korean rebellion of 1919 revealed to the world that Japan's astonishing material achievements in this colony had been accompanied by a tragic failure to solve satisfactorily the problem of the government of the Korean people. Nor was the lesson lost upon the Japanese themselves. No sooner had the rebellion been crushed than vigorous steps were taken to reorganize the government of Korea and to infuse a new spirit into its administration. An Imperial rescript announced that the objects of the reforms were "to treat both Japanese and Koreans as equals, and to enable the people of Chosen to live in peace and prosperity by endowing them with an administration conducted on a liberal and cultural line." The new Governor-General issued a proclamation frankly admitting the necessity of reforms and outlining the policy which he expected to follow. "I am determined," he declared, "to superintend officials under my control and encourage them to put forth greater efforts to act in a fairer and juster way, and promote the facilities of the people and the unhindered attainment of the people's desires by dispensing with all formality. Full consideration will be given to the appointment of Koreans so as to secure the right men for the right places, and what in Korean customs and old institutions is worthy of adoption will be adopted as a means of government. I also hope to introduce reforms in the different branches of administrative activity, and enforce local self-

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government at the proper opportunity and thereby insure stability for the people and enhance their general well-being." Sedition, however, was not to be winked at, and the proclamation ended with this sentence: "If anybody is found guilty of unwarrantably refractory language or action, of misleading the popular mind, or of impeding the maintenance of public peace, he will be met with relentless justice." In effect, the Japanese announced a new deal in Korea; but served notice that they would still make and enforce the rules of the game.

A large volume would be required to describe all the reforms which have been inaugurated in Korea since 1919. A few of the more important ones may be mentioned, however, with the remark that they constitute an official confession of the previous existence of conditions in Korea against which even the most docile of people might have been expected to revolt.

1. The government has abolished legal discrimination between Koreans and Japanese in the Korean civil service with reference to salaries, pensions and promotions, court rank, and decorations. The regulations limiting the jurisdiction of Korean judicial officials to cases in which both parties were Koreans have been rescinded. Punishment by flogging, which had been applicable only to Koreans, has been abolished. A general amnesty has been granted to Koreans implicated in the rebellion of 1919.

2. Formalism and red tape in the conduct of the government have been greatly reduced. Civil officials, save in exceptional cases, no longer wear uniforms. There has been a considerable decentralization all through the government, especially as between the central and the local administrations.

3. Means have been provided for the expression of Korean opinion. Leading men from all of the provinces are called to Seoul periodically for an exchange of views regarding the administration of the country. Inspectors, both Korean and Japanese, are continually in the field, "for the inspection of local conditions as well as for the observation of popular ideas and desires." The publication of a few newspapers printed in Korean is permitted. The Central Council, long intended to serve the Governor-General as an advisory organ, has been reorganized and is more frequently consulted.

4. The educational system has been reorganized in such a way as to meet, in part, the wishes of the Koreans.

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5. The local administrative system has been reorganized. Partially elective, partially appointive advisory councils have been created in the several areas of local government. A portion of the Confucian temple funds which had been diverted to other purposes (stolen, the Koreans aver) has been returned to its former uses. The requisition of labor and the forced donation of land for the construction of highways has been greatly reduced.

6. The police system has been reorganized. Prior to 1919 the police and the gendarmerie were united under one command and were directed from the central government. The two services have been separated, the former has been reduced in size, and the direction of the latter transferred from the central to the provincial governments.

7. Definite steps have been taken to guarantee an increased respect for Korean usages and customs.

In addition to instituting these specific reforms the Japanese have attempted to win the confidence and the coöperation of their Korean subjects by many other means. Influential Koreans are taken to Japan and there entertained with the charming hospitality of which the Japanese are masters. A moving picture film service has been used extensively to familiarize Koreans with Japanese life, and vice versa. A special propaganda office has been established to acquaint the people of Korea, Japan and elsewhere with the new governmental policy. Representative Korean officials, teachers and scientific men are frequently sent to Japan to attend conferences of leaders in their special fields. Social intercourse between the two races is encouraged at every opportunity. Vigorous efforts are being made to educate the rising generation in the Japanese language. No opportunity to emphasize the racial and cultural affinity of the Koreans and the Japanese is overlooked, and their common citizenship in the Empire is constantly harped upon.

Obviously it is difficult for an outsider to gauge either the sincerity or the probable results of such a reform program. Indeed, even the opinions of Koreans and of Japanese and foreigners long resident in Korea differ on these questions. The writer felt at the time, and still feels, that the Governor-General, Baron Saito, spoke very frankly about the purposes of his government and the difficulties with which he is confronted. After declaring that economic development *must* come first, that education and elevated standards of living *would* follow, and that

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afterwards political development *might* be possible, he went on to say that there were many difficulties to be overcome. "The chief of these arise from the character of the Koreans. Many of them are crooked. They want "squeeze" from the Japanese and their own people. They are lazy. At present Bolshevist agents and money are stirring them up. The Russians, though, are clever. They do not give them too much money at once. Of course there are many Koreans who wish to coöperate with us for their country's welfare. But we cannot ask too much of these men. They are in danger from their own people. The Japanese desire to have the Koreans contented and happy. We don't want to make Japanese out of them against their will. But for our own safety, we must govern this country. We hope that in time the Koreans will realize that they need our assistance. They can do nothing by themselves." These plain words from the man who is the chief instrument of Japanese rule in Korea are refreshingly at variance with the familiar propaganda about peace, harmony and brotherhood in a land where these blessings have not existed for many years.

Like Rome at its best, Japan sends first-rate statesmen to be her proconsuls, gives them free rein while in their provinces, and holds them to account for results. No colonial minister or department in Tokyo stands between the Japanese governor and the Imperial Cabinet. The Colonial Bureau is merely a secretariat attached directly to the office of the Premier. Its chief is not an important or powerful official, and its functions are merely the transmittal and filing of colonial papers. Japan's colonial governors are immediately responsible to the Premier alone.

Among foreigners resident in Korea there is much more respect for the present administration than a visitor at first supposes. For the brutalities and stupidities of the past there is little but reprobation. But those Europeans who themselves have to deal with Koreans seem inclined to talk about the difficulties with which the government is faced as well as about its shortcomings. One foreigner whose opinion regarding Korea would be respected anywhere spoke substantially as follows: "One of the greatest difficulties faced by the Japanese is in securing the coöperation of the Koreans. Of course a large proportion of the population is determined never to coöperate. But there is, and always has been an important Japanese party among the Korean

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people. This party is growing rapidly. Its members have made up their minds to accept Japanese rule as inevitable and to make the most of whatever advantages are offered by it. Yet they seem to be unable to get together among themselves or with the government on any practical proposition. The masses are indifferent, or at least quiescent. The 'intellectuals', who have not much to lose, are the principal agitators. The trouble with them is that they do not tie up to any principle. They reach for and seize this panacea and that. Their minds are in a ferment but produce nothing. They don't know what they want, but they want it like the Devil."

This same foreigner had recently returned from a trip which had taken him into every corner of the peninsula. "I found," he said, "that the Japanese are just as active in public health enterprises, educational work and other activities in remote districts as they are along the trunk line railway. I visited schools everywhere and found them crowded to capacity. Out of 300 or 400 pupils only twenty or thirty would be Japanese children. The rest were Koreans. The teachers were both Korean and Japanese. A few years ago—before 1919—the people were indifferent or hostile to the schools. Now they are eager to have their children attend, and the problem is to take care of them all. In recent years the knife has been used pretty freely on the Korean budget (made in Japan), but the school appropriations have not been touched. In fact, last year when there was a million and a half yen cut in the personnel of the government that amount was added to the educational budget."

Many other resident foreigners relate incidents in their experience with the Koreans and express opinions concerning these people that tally closely with those of the gentleman just quoted. One of the most distinguished of them in discussing the attitude of the Koreans toward the Japanese said: "In 1919 the country was aflame with hatred of the Japanese, a hatred that can be well understood. Many of the causes of that bitterness have been removed. The older people still cherish it fiercely; many Koreans try to keep it alive as a matter of pride, or of habit, or almost of religion. Yet time is working against them. Education and modern civilization are working against them. Thousands of Koreans who as a matter of course tell you that they hate the Japanese, get along perfectly well with the individual Japanese people with whom they come into daily contact. I

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should not care to predict how it will end, but we all know that if the Japanese were to withdraw today there would be chaos tomorrow."

For obvious reasons it is much easier to get the story of the Korean nationalists in many other parts of the Orient than in Korea. In Manchuria and Siberia reside more than 2,000,000 emigrants from the former Hermit Kingdom. Small groups of them are to be found in many of the cities along the China coast and in Japan itself. The Japanese propaganda agents very naively say that the Manchurian-Siberian group, most of whom are agriculturalists, emigrated "on account of the difficulty of living caused by the extraordinary rise in the prices of commodities in recent days; as a matter of fact, some 45,000 Koreans migrated from Chosen to Manchuria *during* 1919, mostly from this cause." (The italics are the writer's.) The plain fact is that most of these people abandoned their homes and fled from their native country rather than endure Japanese rule; or, in many cases, because the Japanese robbed them of the land upon which they had lived. A majority of the leaders of the Korean party of violence are members of this group. They hope to overthrow the Japanese régime by assassination, rebellion and attacks over the northern border, and they make frequent attempts to oust their foes by these means.

One center of Korean nationalism is in Shanghai. The "Provisional Government of the Republic of Korea", which was set up there in 1919, and which sent emissaries to the Peace Conference at Versailles, has now disintegrated. It has been replaced, however, by a "Korean Congress" composed of about 150 members representing the irreconcilables of Korea, Manchuria, and Siberia, as well as exiles living in Hawaii and the United States. One of these irreconcilables gave the writer an account of the character and the activities of the "Congress" which tended to confirm much already learnt in Korea itself. "We have been sitting now for several months," he said. "There are two main parties. One of them wishes to use violence of every sort against the Japanese. The other, representing the American Koreans and other groups outside of Manchuria and Siberia, feel that we cannot cope with Japan's military power and must rely upon moderate methods and a constant appeal to world opinion. So far no agreement has been reached by these two factions. Feeling between them has been bitter at times.

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Our difficulties are increased by the constant presence of spies. Whatever we say, the Japanese know all about it the next day. If a dozen of us meet secretly each one wonders who is the traitor. Of course we have our organization in Korea. But Japan still rules there by terror and our men are constantly being taken. Only today I learned that one of our friends who had been collecting data upon the extent to which the Koreans have been dispossessed of their lands, was arrested as he was attempting to get out of the country. But we have ways of keeping in touch with our people at home. If one man is caught another gets through."

This Korean is confident that the new Japanese policy of "attraction" will fail to win his people just as the former application of undisguised force failed to subdue them. "We have no fear for the long future," he said. "The Korean people will never give in. The Czechs held out for several centuries. Now they are free. We can do that, and more. The Japanese are always doing stupid things to keep the hatred of our people alive. They will have to take all of our land and drive us all out of the country before Korea will be safe for them. This they cannot do."

The more intelligent of the Korean irreconcilables pin their hopes for the future upon China and Russia. They regard Japanese supremacy in the Orient as a passing phase, a mere incident in the great drama of history. In common with many Chinese they hold their overlords in contempt as well as hatred. Inevitably China will come into her own. When she does the barbarians will be broke utterly. This is what one hears from Mukden to Batavia. As for Russia, her day is coming too, they say. She does not forget.

An American who returns to the Philippines after a sojourn in either Formosa or Korea would be less than human if he did not feel a certain sense of pride in the larger spirit of liberty which is characteristic of our Oriental dependency. Yet those who understand the situation in the Philippines recognize that in one important phase of colonial development the United States has been far less successful than has Japan; and they realize that both Americans and Filipinos, especially the latter, will have to pay the price of that comparative failure.

During the American régime in the Philippines political and general education has enjoyed an unparalleled growth. Yet during this period Americans and Filipinos have not succeeded

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in laying an economic foundation substantial enough to support the social and political superstructure which they have erected. The result is that not only independence but further progress of any sort in the Islands must wait upon the creation of a vastly greater national income than will be available for some years to come. The Japanese, on the other hand, have proceeded much more slowly in the social and especially the political development of Formosa and Korea. Once they are seriously embarked upon a progressive program, however, both of these countries will have at their disposal ample means for the completion of their task. At the present time the annual income of the Government of Formosa (population 3,500,000) is about $50,000,000; while the Government of the Philippines (population 11,500,000) has at its disposal about $32,000,000 yearly. Considering the cost of the modern civilization which both of these people covet these figures are of great significance.

Where are the Japanese coming out with Korea and Formosa? Will their present policy of "attraction" and the great material advantages which they have given these colonies so dim the memories of the past as to produce at least an acquiescence in Japanese rule? Or, in some future struggle, will one of these dependencies prove to be the Achilles heel of the Island Empire? Press reports of a bloody uprising of Koreans in Tokyo and Yokohama during the recent disaster suggest vividly the dangerous possibilities of a permanently hostile population in Formosa and Korea. In the developments of the past four years there is much evidence that Japan realizes the danger of the situation and that she is determined to consolidate her military gains by political and moral victories. It is to this end that the new Japanese policy in Formosa and Korea is directed.

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PHILIPPINE INDEPENDENCE

By Charles C. Batchelder

PHILIPPINE GOVERNMENT. By Malcolm and Kalaw. New York: Heath, 1923.

THE CORNER-STONE OF PHILIPPINE INDEPENDENCE. By F. B. Harrison. New York: Century, 1922.

THE OUTLOOK FOR THE PHILIPPINES. By C. E. Russell. New York: Century, 1922.

FILIPINO APPEAL FOR FREEDOM. Doc. No. 511. 67th Congress. Washington: Government Printing Office, 1923.

SINCE the policies adopted by the United States for the government of the Philippines differ in so many essentials from those of other colonial nations, it is not surprising that the existing sharp conflict between Governor-General Wood and the Philippine Legislature is exciting great interest in many countries. It is being watched by the native leaders in India and Java, in China and Japan, and by European administrators throughout the Orient. The ultimate decision as to American policy cannot fail to influence profoundly the whole future of Asia.

Our administration so far has been characterized by continued changes in our method of government. The result has been constant friction between Americans and Filipinos, and a growing dissatisfaction on the part of the latter who are becoming more and more insistent in their demands for immediate independence. So strong has this feeling become that former Governor-General Harrison says in "The Cornerstone of Philippine Independence" that almost certainly active insurrection in the Philippines will result from continued disregard of their aspirations. Recent news items from Manila show that other Americans share his views. Though this attitude may be too pessimistic, both Filipino leaders and Americans engaged in business in the Islands unite in urging the American Government to come to some definite decision as to its policy.

This statement must not be construed as indicating that American residents in general advocate setting any date for actual independence. A reluctance to do so exists not only on the part of business men, who might be influenced by selfish motives, but also on the part of government officials and educators in sympathy with Filipino aspirations. There is very grave

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doubt whether the country is able as yet, economically and politically, to maintain complete independence.

For an impartial observer to form an intelligent opinion on the Philippine question is exceedingly difficult. The majority of writers on the subject are either ardently pro-Filipino or violently anti-Filipino. Allegations advanced by one side are fiercely denied by the other; statements are made based upon inadequate investigation; arguments are ignored or evaded; and half truths are so cleverly distorted that it is difficult to refute the conclusions drawn without painstaking study on the spot. Moreover, in the last few years no really authoritative book has appeared on the American side of the question and practically all recent literature is the result of extensive propaganda in favor of immediate independence,—propaganda paid for from considerable sums appropriated by the Philippine Legislature and conducted largely by the Philippine Press Bureau in Washington.

This partisanship is highly regrettable, for it is important that American public opinion should be correctly informed. The Filipinos are determined not to stop their agitation until their desires have been gratified, and many of the carefully selected statements made by their leaders are so well founded and conform so closely to American political ideals that it is difficult to controvert them. C. E. Russell and M. M. Kalaw present the Filipino case very cleverly. Mr. Harrison's book contains some really valuable material, though both he and Mr. Russell have not always been careful to verify their statements. In the present article an attempt will be made to outline both sides of the question.

Perhaps one of the principal reasons for sharp differences of opinion is that certain assumptions, regarding which there is no possible agreement, underlie many of the arguments of those advocating immediate independence. They say that all men, including the Filipinos, are at birth endowed with the ability to operate successfully a modern, democratic, representative government, and that there are no differences of character, aptitude or ability between races. This is the point of view of Mr. Harrison, who says that he believes all men are created equal, that their inequality "comes from their training and education, not from their physical birth," and that "failures to attain a moderate level of civilization are due to lack of opportunity, or to the selfishness, rapacity, egotism, bigotry or superstition of others."

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In defense of his administration, during which he was particularly blamed for giving the Filipino politicians full control of the executive as well as of the legislative branches of the government, he says that he has been true to these principles. His theory is that the only way to learn to govern is to govern, and that he is not to blame for Filipino failures.

While such ideas are popular, they leave out of account the fact that in the last eight thousand years there has never been in Asia even a creditable attempt to establish democracies like those of Greece and Rome, not to mention those of the last two hundred years in Europe and America. Also, the Asiatic temperament seems, at present, unsuited to such a form of government, and it will probably take some time to educate the masses of the Orient sufficiently to make democracies successful. It is much to the credit of the leaders of the Filipinos that they have done as well as they have, without traditions of democracy or experience in the administration of a modern state.

But granting that such traditions and experience may not be essential, the illiteracy of the people makes it difficult to believe that a really democratic, representative government is possible at present in the Philippines. Only about 37 percent of the Filipinos can read and write in any language, and less than 14 percent have received instruction above the primary grade. The majority of the 20,000 Filipino teachers have had only intermediate school training, and their experience in teaching and general education is so slight as to make it almost impossible for them to educate intelligent citizens. Of the 10,956,730 inhabitants, only 672,122 voted at the last election, as the suffrage is limited by sex, educational, and property qualifications. A significant fact in this connection is that in 1920 the forty-five daily newspapers published in various languages had a total circulation of 131,400, and the sixty-nine weekly and other publications a total of 195,700. This means that the masses must be totally uninformed upon public questions, and must therefore be under the domination of a small oligarchy of educated men.

It is estimated, in fact, that there are only about 10,000 Filipinos really influential in business and politics. Although many of them are intelligent, cultivated and able men, like those who have come to the United States, history has shown that it is not safe to deliver ignorant millions to the uncontrolled domination

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of any group. The danger is especially great in the Islands, as the masses have been for centuries under the sway of *caciques*—members of rich and powerful families, landowners, money lenders, and politicians,—who have often exploited them and reduced those in debt to a state of peonage. The people as a whole are intellectually children, and for the present need sympathetic and intelligent guardianship. This is one of the principal arguments against the immediate granting of independence, through it must be admitted that an answer seems found to it in the marvelously successful movement for education now being carried on by Filipinos in a manner above praise.

The Filipino Point of View

The Filipinos positively decline to discuss the question from the general point of view just described. They simply demand fulfilment of the promise in the preamble of the Jones Act: "Whereas, it is, as it has always been, the purpose of the people of the United States to withdraw their sovereignty over the Philippine Islands and to recognize their independence as soon as a stable government can be established therein." They claim that they have complied with the only condition demanded, and in support of their contention cite the statement in President Wilson's message to Congress of December, 1920: "The people of the Philippine Islands have succeeded in maintaining a stable government since the last action of the Congress in their behalf and have thus fulfilled the condition set by the Congress as precedent to the consideration of granting independence to the Islands. I respectfully submit that this condition precedent having been fulfilled, it is now our liberty and our duty to keep our promise to the people of those Islands by granting them the independence which they so honorably covet." The Filipinos also base their demands upon the statement in the Declaration of Independence that just government can only exist by the consent of the governed, and that all men have an inherent right to life, liberty and the pursuit of happiness. They also certainly have reason to believe that independence was promised to General Aguinaldo before the Americans captured Manila with his assistance, and that similar assurances were given by Presidents Taft and Roosevelt, as well as by many other officials.

Some Americans are inclined to be astonished, grieved, and a little exasperated to find that the Filipinos persistently, and at

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most embarrassing moments (as during the Peace Conference at Paris), demand the fulfilment of our pledges. Americans have a tendency, too, to accuse them of ingratitude and of failure to appreciate the material benefits which we admittedly have conferred upon them. Since even their strongest advocates admit that the Filipinos have had nearly complete self-government since the passage of the Jones Act in 1916, and, further, that "there is no complaint of abridged freedom, no suggestion of oppression, no outcry against government by force," it is difficult for some to understand the reason back of their incessant demand for immediate independence, which,—in spite of statements to the contrary,—is undoubtedly almost unanimous.

The explanation is that the present system is founded upon the premise of racial inferiority and incompetence. We have driven the Filipinos to press for the independence which we refuse to give them, even after they feel that they have complied with our conditions. No proud, sensitive, patriotic and high-spirited people could possibly do otherwise. We should do the same under similar circumstances. Their astonishing progress in the last twenty-five years entitles them to a sympathetic consideration of their aspirations. Any impartial consideration of their arguments leads to the belief that, from a strictly legal standpoint, the Filipinos have proved their case, and that the question is now whether they have established a "stable government."

The Forbes-Wood Report

For some time there has been a strong feeling among those most interested in the situation that the complete management by the Filipinos of finances, public works, sanitation, schools, constabulary, and other governmental activities, as well as their administration of justice, has been so much less efficient than when these branches of government were under American control that a change is really imperative. In order to secure reliable information on this disputed subject, President Harding sent former Governor-General W. Cameron Forbes and Major-General Leonard Wood to make an investigation. Their Report of October 8, 1921, was unfavorable to immediate independence, on the grounds that the government was not reasonably free from those elements which result in the destruction of government; that the efficiency of the public services had fallen off, due

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to lack of inspection and to the too rapid transfer of control to officials who had not had the proper training; and that the people were not organized economically or from the standpoint of national defense to maintain an independent government. They therefore recommended that the existing status of the Islands be continued until the people had had time to master and coördinate the powers already in their hands.

Many former residents of the Islands felt that this report was too favorable to the Filipino administration, while for their part the Filipinos claimed that it was outrageously unfair. It was certainly painstaking, as the mission spent four months in the Islands and held conferences with the inhabitants of 449 cities and towns and accumulated a large volume of testimony, mostly from Filipino sources. Subsequent events have proved that most of the facts are substantially as stated, though there is sharp disagreement on conclusions and recommendations.

Most of those who have had experience in governing Asiatic peoples are quite willing to admit that it is not absolutely essential to have the administration carried on according to the standards of the Occident. It is even claimed that Orientals much prefer native methods, which are perhaps better adapted to local customs and interfere less with the private life of individuals. The inefficiency which Filipino control produced in the bureaus of education, forestry, public works, civil service, science, and other similar activities, even if very considerably increased, would not have prevented the government from continuing to be reasonably satisfactory to the people, nor have impaired its stability. Hence criticism along these lines is relatively unimportant.

Orientals, however, like other men, resent injustice and oppression, and the mission found that there was "a disquieting lack of confidence in the administration of justice, to an extent which constituted a menace to the stability of the government." This was caused by the appointment of unfit nominees as judges of the lower courts, clerks of court, and prosecuting attorneys. The dockets were clogged, many abuses went unchecked, and the members of the mission believed that judicial proceedings were used oppressively. They also felt that there was "a widespread feeling among the people that political, family and other influences have undue weight in determining causes." The Supreme Court, however, containing a number of experienced

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Americans, maintained its excellent reputation. This finding of the mission has caused considerable agitation among the Filipinos, and they have attempted to disprove its validity by showing that while the Supreme Court reversed 25.1 percent of the appealed cases in 1911–13 under Governor-General Forbes, it reversed only 20.8 percent under the Filipino administration in 1919–21. It must be remembered, however, that the majority of cases in which injustice is likely to occur are among litigants who cannot afford to appeal. Many Filipinos are convinced that the lower courts are the most vulnerable part of the Filipino administration.

The health of the country is not only important to its inhabitants, but is an international matter. The report stated that there had been a steady increase in preventable diseases, especially typhoid, malaria, beri beri, and tuberculosis; that the former excellent health service had greatly deteriorated, and that the appropriations for sanitary work and medicines were insufficient. Other authorities have asserted that the failure to take necessary measures to prevent smallpox, cholera, plague, and other diseases might render the Islands an international danger.

A third matter for consideration is the financial situation. It is quite evident that no small state can permanently maintain its independence if its finances are unsound, and the investigations of the mission showed that the Philippine National Bank was practically bankrupt under Filipino management. The Insular Treasury placed in the Bank not only its current balances (the provincial and municipal governments were by law obliged to do the same), but also reserves and trust funds, including the $41,500,000 held for the redemption of the currency and the gold exchange fund previously deposited in banks in the United States. Filipinos without banking experience were appointed President and Directors, and, according to the report, they proceeded to loan out the funds "to speculative concerns under circumstances which have led to grave doubt as to the good faith of the transactions." Even the report does not reveal the whole truth, and it was not until August 18, 1923, that General Wood gave to the press his message to the Legislature, dated February 16, which the leaders of the Legislature had declined to communicate to the members. The message showed that in six years the Bank had lost $37,345,500, that there were no reserves behind its $40,837,500 in deposits, and that it was impossible for

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it to redeem, as required by law, its $15,379,000 of circulating notes.

The report, like most of the current articles on the subject, fails to bring out clearly the well known fact that no government can be considered permanently stable when the resources of the country are in the hands of foreigners. There are very few important Filipino merchants. The retail business is largely in the hands of Chinese, while the wholesale trade, both imports and exports, as well as the banking, is carried on by Americans, British, and various European nationalities. It is illuminating to find that in 1920 out of 9,519 persons who rendered income tax returns 1,434 were Americans, 3,123 were Chinese, 1,295 other foreigners, and only 3,667 Filipinos. In 1921 out of a total population of 10,956,000 about 6,931 were Americans, 55,212 Chinese, 4,271 Spaniards, 1,202 British, 12,636 Japanese, and 2,893 other foreigners.

The fundamental factor in this situation, rarely discussed by either group of partisans in the independence question, is that the Islands are almost purely agricultural and are not economically self-sustaining. There are very few industries (none of any size except sugar centrals, oil mills and tobacco factories) and the labor available is insufficient to operate industrial plants on an extensive scale or even to develop agricultural and mineral resources. Local capital, moreover, is entirely inadequate, and wealthy Filipinos until recently have put their money almost exclusively into land. Industrial investment has been discouraged, due to the belief that capitalists would bring pressure to prevent the grant of independence as being dangerous to their interests. No charters have been granted without a provision to prevent corporation officers from opposing independence, and taxation and other legislation are designed with the same end in view.

The Filipinos are blind to the historical fact that a country rich in agricultural and mineral resources, but without industries or capital and financially unable to maintain an army for its defense, is inevitably doomed to exploitation by outsiders. The temptation to grant concessions, were the Islands independent, would be too great to be resisted. The opponents of independence often insinuate that a hunger for the opportunities for graft incident to granting concessions forms the real reason why the politicians are so insistent upon immediate independence.

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The Present Situation

A Filipino Parliamentary Mission was sent to Washington soon after President Harding assumed office to request that steps be taken to carry out the recommendations of President Wilson. After careful consideration of the subject President Harding replied: "It is fair to assume that our only difference relates to the time of independence,—you crave it now, and I do not believe the time has arrived for the final decision." Major-General Wood was then sent out as Governor-General to put the finances of the Islands on a sound basis and to restore former efficiency. Conflicts soon developed upon constitutional issues, the Filipino cabinet members all resigned, and the administration has since been carried on by under-secretaries. Both houses of the Legislature have refused to coöperate with the Governor-General, and the Nacionalista and Collectivista parties demand his recall.

The immediate issue is a fundamental one, not a mere clash of individuals. The Jones Act deliberately established a government on the American plan, with the executive power consisting of department chiefs responsible to the Governor-General who represented the sovereignty of the United States. The Filipino Legislature, with the assent of Governor-General Harrison, subsequently passed laws which transformed the system into one on the British model, under which the executive is responsible to the Legislature and the authority of the Governor-General is purely nominal. The executive authority was actually vested in a Council of State, not recognized by law, consisting of the President of the Senate, the Speaker of the House of Representatives (rival leaders of the two dominant parties) and the Cabinet members. This secured harmony between the executive and the legislative branches of the government, and worked in a manner satisfactory to the Filipinos. It is therefore entitled to sympathetic consideration even though not yet sanctioned by Congress.

General Wood undoubtedly tried to coöperate with the Legislature, but a collision was inevitable. He felt it his duty in order to remedy the financial chaos and to restore administrative efficiency to assert the prerogatives given him by Act of Congress. The Filipinos claim that he is bound by the laws passed by the Legislature and approved by his predecessor, and that he has no

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authority to declare them unconstitutional or to refuse to execute them. This right, they say, is legally vested in the courts, in the President and in Congress. They also assert that the Preamble of the Jones Act shows that it was intended that they should have practically complete self-government, and that the Governor-General should intervene only in matters affecting the interests of the United States. The dispute was referred to Secretary of War Weeks, who under the authority of the President forwarded a message to General Wood supporting his conduct. But the conflict still continues, and it is more than ever necessary that some solution should be discovered.

A "Philippine Commonwealth"

Any plan of coöperation between the Filipinos and the representatives of the United States must be based on the fact that it is not feasible to take from the Filipinos any portion of the self-government which they now enjoy, regardless of the legality of such a proceeding. To do so would be possible only by the employment of force, which is unthinkable. Further, the United States is committed to accord them an increasing measure of self-government, though no definite promises have been made as to the time when this shall be granted.

To meet the situation it might perhaps be advisable to gratify Filipino aspirations by transforming the Islands into a "Philippine Commonwealth," similar in many ways to Australia and Canada. Foreign affairs should continue to be managed by the United States, but the Islands could have a flag and a citizenship of their own. This would be a tangible manifestation of the sincerity of our ultimate purpose, and would allay a certain amount of exasperation and suspicion. While the Governor-General must, for the present, continue to be an American, Filipinos might be eligible for appointment to the post of Vice Governor-General. This position should rank second in the Philippine Government and the incumbent should be authorized to perform the duties of Governor-General during the absence or inability of the latter, "unless the President shall designate some other person to exercise the powers of the Governor-General temporarily." A tactful Governor-General would gratify the Filipinos immensely by affording frequent opportunities for a Filipino to preside in the historic palace of Malacanan. (Former Secretary of the Interior Rafael Palma could fill the position with

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success, and he could be relied upon not to jeopardize American interests.) The existing Council of State could be legalized, the Cabinet could be made responsible to the Legislature under the Secretary of the Interior as Premier, and the Governor-General could be empowered to order new elections upon the advice of the Council of State. Other changes could be made to cause the system to be satisfactory to the Filipinos. While the Governor-General should retain a veto, it might be understood that it would not be exercised in minor domestic matters, although there should not be any implied restrictions upon the powers of the Governor-General where foreign affairs, the interests of Americans or non-Christians, and the finances or health of the Islands are concerned. On the other hand, proper safe-guards should be arranged against excessive exercise of the powers of the Governor-General, and the Filipinos might be consulted in making appointments to this office in order to ensure that no one personally obnoxious to them should be selected or retained.

Legislation making these extreme concessions should not be mandatory, but should authorize the President of the United States to put them into effect from time to time as he considered advisable. This would give the Filipinos an incentive to maintain efficient government. It should further be made clear to them that they were expected to demonstrate to the world that the confidence placed in them was justified, and that inefficiency or financial scandals would be considered sufficient grounds for deferring further steps toward complete independence.

In order to increase the efficiency of the administration and to train Filipinos to operate it, a definite and permanent policy should be adopted of employing thoroughly qualified American technical experts, following the course which has been so successful in Japan. At least one should be assigned to each department and the more important bureaus, and it should be agreed that their advice should be followed. The contracts with these advisers should be for a specified number of years, and should be discontinued when Filipinos had been taught to replace them. As a preliminary the Philippine National Bank should be divorced from politics, and its charter should be amended so as to ensure that its control would be vested permanently in American officials with extensive banking experience. It should not be permitted to make loans on securities which are not readily convertible into cash, and it should be examined regularly by

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American bank examiners. Adequate safeguards should be provided for the currency and exchange funds. The Manila Railroad and the other business enterprises of the government should be placed in the hands of qualified American experts, free from political interference. An American president with a competent staff of professors should be placed in charge of the University of the Philippines for at least a generation.

After all these reforms have been put into successful operation, a law should be passed providing for a plebiscite of all adult men and women, under American supervision at the polls, to decide between complete independence or a continuance of the American connection under conditions mutually agreed upon. The first condition to be satisfied before holding the plebiscite should be a 90 percent literacy in English among the entire population, with a reasonable amount of adequate secondary and higher instruction. This would postpone independence until the rising generation of young men with American training and standards of conduct had come into control. Moreover, it is difficult for a nation to exist without a common language, and there are now eight languages spoken by not less than 500,000 people each, besides some seventy used by smaller groups. More persons now speak English than ever spoke Spanish, but Spanish is still the language of the educated classes and government circles.

Among the other rights and duties given the Filipinos should be included the ability to provide for their national defense. This is essential, in spite of the fact that the Filipinos believe that the United States would grant independence with a protectorate, abandoning all internal control and at the same time assuming all international responsibilities.

If the Filipinos were once convinced that we really meant to treat them fairly, that we would no longer evade the issue of carrying out our promises in regard to self-goverment and independence, their response would be astounding. They have great capability and they are eager for education and self-government. They are sometimes influenced by their heads, but more often by their hearts. We have never made the proper appeal to them as a nation, although there are many warm friendships between individuals of the two races. This appeal we must make without further delay.

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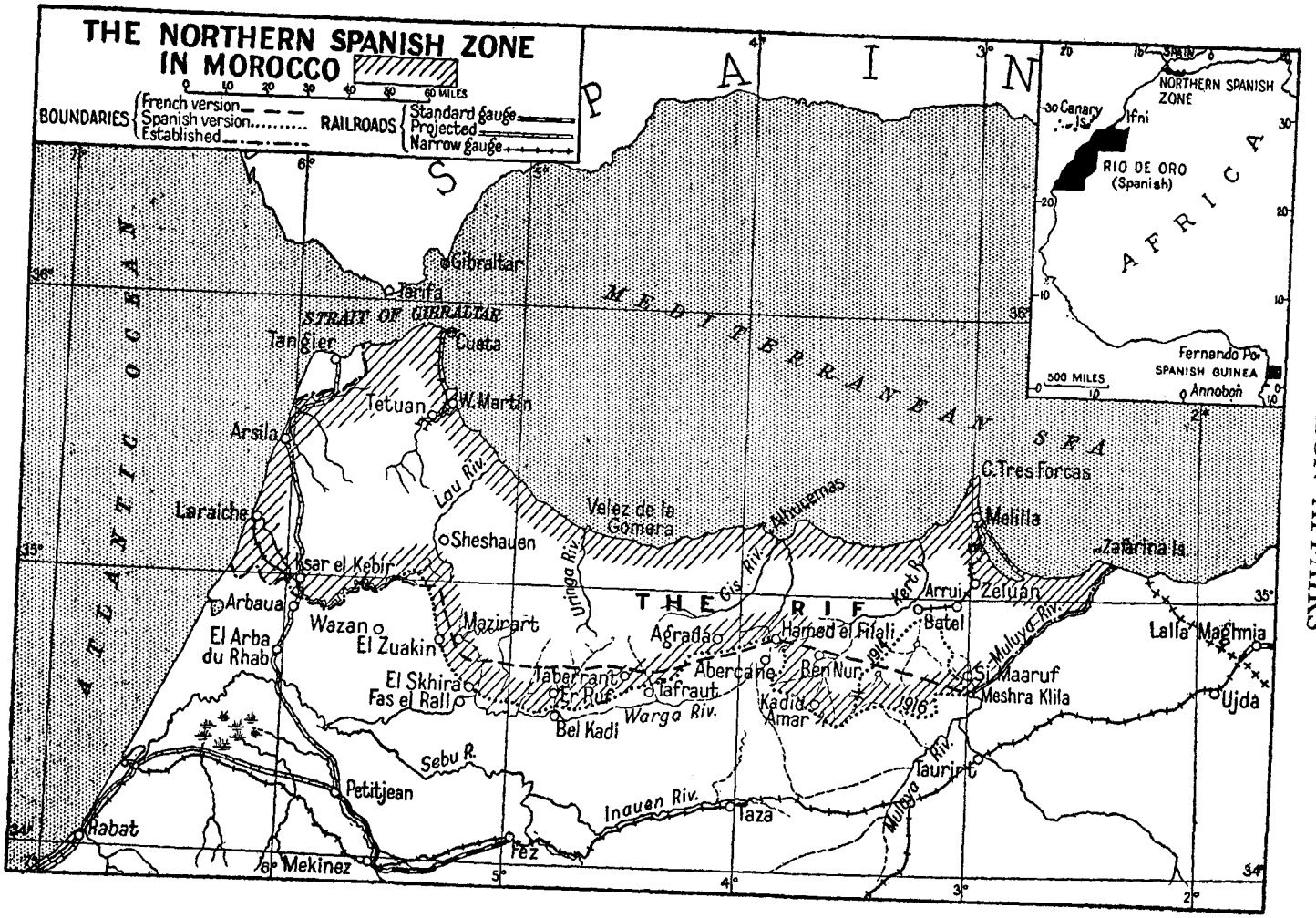

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A NOTE ON TANGIER AND THE SPANISH ZONES IN AFRICA

By Isaiah Bowman

At Paris, on December 18, 1923, the representatives of Great Britain and France signed the Tangier Convention. The Spanish representatives at first signed *ad referendum*, but have since been instructed from Madrid to make Spain's adherence unconditional. This new convention affects the control of the city and port of Tangier, besides 140 square miles of adjacent territory. The action of Spain in joining the other two powers in adhering to the new régime puts an end to a most complicated and unsatisfactory chapter in political history and geography.

The background of the controversy may be outlined as follows. In 1856 and 1861 there was inaugurated at Tangier a system of capitulations by which the Sultan of Morocco delegated authority to the diplomatic corps. These capitulations have continued in effect down to the present time, with modifications due to the Convention of Madrid in 1880, the Act of Algeciras in 1906, and the Franco-Spanish Convention of 1912. During this period international rivalries have often paralyzed the procedure of the diplomatic corps and led to delay and confusion that made condominium government a reproach.

The Straits of Gibraltar are only fifty miles wide opposite Tangier, and it is natural for Spain to wish to see no further growth of French and British strength in territory which she deems vital to her defense and important in her future development. In addition, the interests of the Spanish "northern zone" in Morocco are concerned in the status of Tangier, as part of its commerce passes in and out through that port. Great Britain, for her part, having given up her claims to the back country, cannot afford to let go her share in the control of Tangier, which in hostile hands might interfere with Gibraltar's command of the Straits, on Britain's highway to Egypt and India.

The beginning of the latest phase of the North African question was marked by the treaty of 1904, according to which England recognized French predominance in Morocco in return for French recognition of England's position in Egypt. Germany's opposition, which several times brought Europe to the verge of war, was terminated after the Agadir incident by the treaty of November 4, 1911, according to which Germany recognized the French protectorate in Morocco in return for cessions of territory in the French Congo. (It is interesting to note that in the Treaty of Versailles Germany finally relinquishes all rights and interests in Moroccan matters.) A further step was

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taken in 1912, when France signed a treaty with the Sultan of Morocco, reaffirming his sovereignty; and in the same year France and Spain came to an agreement as to the limits of their respective spheres and signed a protocol dealing with the projected Tangier-Fez railway.

The new régime at Tangier provides for the permanent neutrality of the zone, economic equality between the powers, and a period of rational government in hopeful contrast to the confused and capricious control hitherto exercised. Though the sovereignty of the Sultan of Morocco over the Tangier zone is to be maintained, and though he has a representative at Tangier who is to be entrusted with the administration of the natives, the real government will be in the hands of a committee of control consisting of eight consular officers of the powers signatory to the Act of Algeciras and of an international legislative assembly consisting of twenty-six members. Four of these will be French, four Spanish, three British, two Italian, one Belgian, one Portuguese, one American, one Dutch, in addition to six Moslems and three Jews. The assembly is to have complete legislative authority over the native and European population. The representative of the Sultan will be president of the assembly. The head of the customs will be nominated by the Shereefian Government but under the control of the international administration, and customs accounts are to be approved by the assembly. There is to be economic equality in the working of the port. The convention runs for a period of twelve years or longer if desired. No fortifications or other preparations for war are to be allowed. Italy has protested against her exclusion from the negotiations. If she signs the convention, however, she will share with the other states mentioned in the administration of the zone. But the attitude of the Mussolini Government is still in doubt, nor has the American government yet expressed an opinion.

The Spanish occupation of the "northern zone" of Morocco (area 7,000 to 8,000 square miles) began early in the sixteenth century. Melilla was occupied in 1496. The Zafarina Islands were occupied in 1844—the last of a string of *presidios*, or military posts, that include, among others, Ceuta and Alhucemas. Spaniards often claim that France persistently opposes Spanish policy in the northern zone, an allegation which the French deny, though pointing out that opposition on their part might be justified by the fact that Spain is unable to maintain order in her territory and because disorder there incites disorder in French Morocco. In addition, Spain finds the northern zone a source of constant domestic trouble. There is a strong division of sentiment in Spain itself as to the desirability of maintaining possession there. The numerous disastrous defeats that Spanish forces have suffered at the hands of the tribesmen, the expense and difficulty of mountain warfare, the uncertain economic value of the territory—

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these have all had a deadening effect upon one section of Spanish interest and an opposite effect upon those who hold it a point of national honor not to withdraw and thereby acknowledge military defeat.

On the accompanying map the southerly boundary of the northern Spanish zone of Morocco is shown according to both French and Spanish unofficial versions. The interior has not been surveyed because of the opposition of the native tribesmen, and except at its western and eastern ends the exact boundary is still undetermined. For the greater part of its length the boundary has been described according to maps that are known to be inaccurate.

It will be interesting to watch developments in the northern Spanish zone if the present Spanish Directorate is superseded by a constitutional government. Should Spain give up the northern zone she would unquestionably make substantial reservations of territory in the neighborhood of Ceuta and Melilla, besides holding out for certain advantages at Tangier. On the other hand, should Spain adopt a more aggressive policy and attempt the complete conquest of the northern zone and the establishment of interior posts on the French model, it would at once involve her in questions bearing upon the trade outlet at Tangier on the one side and upon the question of definitive boundaries with French Morocco on the other.

A word may also be said about Spain's so-called "southern zone," where there has been a corresponding advance and clash of Spanish and French interests. Spain had rights on the Atlantic coast of Morocco dating from the fourteenth century, and as early as 1860 she had made a treaty with the Sultan of Morocco whereby she was granted sufficient territory for a fishing station at Santa Cruz de Mar Pequeña (Ifni). However, on account of the unsettled state of the native tribes, Spain was unable to take actual possession until much later. By the Franco-Spanish conventions of 1904 and 1912 the limits of the Ifni enclave were defined though never actually surveyed, an area of about 1,000 square miles being assigned to Spain. Farther south on the coast, in the Rio de Oro region, Spain made more definite and substantial progress. By treaties with Arab chiefs she set up a claim to a protectorate over an area of about 270,000 square miles as part of the general partition of Africa then in progress and in response to an alleged need "for expanding the national commerce and securing the 'ancient rights' of her subjects abroad." (By the Franco-Spanish convention of 1900, however, the area was reduced to about 60,000 square miles.) The eastern frontier of the Spanish Sahara has never been defined. With Spain established along nearly 1,000 miles of African coast France is unable to make a connection between her west-African and north-African territory in the coastal belt and has taken the bolder course of developing trans-Saharan railway and motor projects.

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A COMPARATIVE STUDY OF THE BRITISH VOTE, 1918, 1922 AND 1923

	CONSERVATIVES			LIBERALS			LABOR		
	1918	1922	1923	1918	1922	1923	1918	1922	1923
LONDON BOROUGHS...	376,648	552,790	429,187	166,484	311,470	337,706	114,887	332,335	423,206
ENGLISH BOROUGHS...	1,591,504	2,051,360	2,028,944	912,629	1,538,950	1,495,826	886,247	1,581,930	1,728,871
ENGLISH COUNTIES...	1,459,525	2,203,305	2,286,967	1,040,583	1,393,545	1,720,677	886,648	1,353,599	1,318,629
WELSH BOROUGHS.....	30,008	69,114	69,126	78,185	70,199	94,148	56,153	131,634	141,803
WELSH COUNTIES.....	30,152	113,482	108,784	180,648	234,956	208,166	124,722	231,536	215,369
SCOTTISH BURGHS.....	193,131	199,273	219,250	181,766	337,604	226,225	183,266	276,938	305,633
SCOTTISH COUNTIES...	169,283	188,141	217,432	184,251	219,375	168,825	122,462	194,453	214,868
TOTAL VOTE.....	3,850,251	5,377,465	5,359,690	2,744,546	4,106,019	4,251,573	2,374,385	4,102,425	4,348,379

The above figures indicate the development of the county and borough voting strength of the three major parties in Great Britain in the three most recent general elections. They have been compiled from tables appearing in the London *Times* of December 30, 1918, November 17, 1922, and December 8, 1923. These figures are not final, as the results of belated contests are not included. In computing the strength of the Conservative and Liberal parties in the 1918 election, Coalition adherents and non-adherents have been grouped together; similarly, for the 1922 election Liberals and National Liberals have been put under one heading. Minor parties have been disregarded.

The "Victory" election of 1918, closely following the Armistice, found England divided between the Coalitionists who supported the Lloyd George ministry, and an opposition made up of Labor and of non-Coalition Liberals and Conservatives. The Coalitionists received the endorsement of the country with a vote of 5,091,528, while the non-Coalitionists polled 4,589,486 votes, of which the 2,374,385 in favor of Labor candidates represented more than half.

In 1922 the heavy increase in the vote polled by all parties is accounted for by the extension of the franchise to women. The total vote of the nation increased from 9,681,014 to 14,039,562. Labor's vote almost doubled, and the election of 142 of its candidates (an increase of 85) returned the party as His Majesty's Opposition.

Labor did not sweep the country in the recent election of December, 1923. But though its gain in actual votes was comparatively small, the fortunate distribution of these votes brought the party 49 additional seats. Its total strength in the House of Commons is now 191. The Conservatives lost their former majority, though returning 259 candidates. The Liberals secured 155 seats.

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SOME RECENT BOOKS ON INTERNATIONAL RELATIONS

By Harry Elmer Barnes

General International Relations

MY WINDOWS ON THE STREET OF THE WORLD. By James Mavor. New York: Dutton, 1923, two volumes, 400, 452 pp.

An eminent Canadian economist's interesting observations on a lifetime of travel.

RACES, NATIONALITÉS, ÉTATS. By L. Le Fur. Paris: Alcan, 1923.

The author analyzes the relation of the current theories of race, nationality, and the state to the problem of federalism, international law and the League of Nations.

LA MORAL DE LA PAZ Y LA GUERRA FUTURA. By J. Guixé. Madrid: Imprenta Latina, 1923, 330 pp.

A psychological interpretation of the World War and its consequences by a pacifically inclined Spaniard.

LOSSES OF LIFE CAUSED BY WAR. By S. Dumas and K. O. Vandel-Petersen. Oxford: The Clarendon Press, 1923, 191 pp.

A valuable statistical summary of the losses in war since 1756, with detailed information on the World War.

ECONOMIC PEACE. By R. R. Bowker. New York: Putnam's, 1923, 32 pp.

A brief for the position that economic provisions for peace must precede political and diplomatic arrangements.

MODERN FOREIGN EXCHANGE. By H. C. Walter. London: Methuen, 1923, 194 pp.

One of the clearest interpretations of the mechanism of foreign trade and international finance. At the same time thoroughly competent and reliable.

DIE INTERNATIONALE BESCHRÄNKUNG DER RÜSTUNGEN. By Hans Wehberg. Berlin and Stuttgart: Deutsche Verlags-Anstalt, 1923, 475 pp.

A manual for the study of how to limit armaments, written by a pacifist.

Foreign Relations of the United States

DIE AUSBREITUNGSPOLITIK DER VEREINIGTEN STAATEN VON AMERIKA. By E. Kimpen. Stuttgart and Berlin: Deutsche Verlags-Anstalt, 1923, 404 pp.

The expansion of the United States as viewed by a scholarly German.

ONE HUNDRED YEARS OF THE MONROE DOCTRINE. By D. Y. Thomas. New York: Macmillan, 1923, 580 pp.

An opportune and thorough analytical study.

LEGISLATIVE HISTORY OF AMERICA'S ECONOMIC POLICY TOWARDS THE PHILIPPINES. By J. S. Reyes. New York: Longmans, 1923, 205 pp.

A survey of American economic policy in the Philippine area.

MEMORIES OF AN ACTIVE LIFE. By Charles R. Flint. New York: Putnam's, 1923, 349 pp.

An interesting, if not over-modest, autobiography of a prominent American merchant and banker, containing much information concerning foreign countries and statesmen during the last generation.

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Europe

THE WORLD CRISIS, 1915. By W. S. Churchill. New York: Scribner's, 1924, 546 pp.

A second volume of the former First Lord of the Admiralty's able and engrossing defense of his policy while in office. This volume seeks chiefly to justify the original conception of the Dardanelles campaign and to explain the causes leading to ultimate disaster.

EUROPE SINCE 1815. By C. D. Hazen. New York: Holt, 1923, two volumes, 1202 pp.

A revision and expansion of a standard manual on the political history of Modern Europe. The section on the origins of the war was written in 1916.

FRANCO-GERMAN RELATIONS, 1871–1914. By G. P. Gooch. London: Longmans, 1923, 64 pp.

A brief impartial account of contemporary Franco-German diplomacy. The author makes use of the newly published documents in the German Foreign Office.

LEITFADEN ZUR KRIEGSSCHULDFRAGE. By M. Montgelas. Berlin: Gruyter, 1923, 200 pp.

By far the best brief summary of the diplomatic background of the World War by a German writer.

DER GROSSE KRIEG, 1914–1918. Edited by M. Schwarte. Leipzig: Barth, 1923, 10 volumes.

The most important coöperative history of the war which has yet appeared in Germany. Written from the standpoint of the militarist group.

DIE ERMORDUNG DES ERZHERZOGS FRANZ FERDINAND. By Stanoje Stanojewitsch. Frankfurt: Frankfurter Societätsdruckerei, 1923.

The author ascribes the planning of the murder of Franz Ferdinand to Dragutin Dimitrijewitsch, chief of the Intelligence Bureau of the Serbian General Staff.

PLUTARCH LIED. By Jean de Pierrefeu. New York: Knopf, 1924, 307 pp.

Translation of the French "Plutarque a menti" (Paris: Grasset, 1923). A brilliant critique of the strategy of the military leaders in the World War and of the alleged stupidity of the professional soldier.

PLUTARQUE N'A PAS MENTI. By General * * * . Paris: La Renaissance du Livre, 1923.

An effective reply to the foregoing.

LLOYD GEORGE ET LA FRANCE. By J. Bardoux. Paris: Alcan, 1923.

A voluminous documented history of the diplomatic clashes between France and England since 1918. The author is critical of the arbitrary methods of both states.

LA PROTECTION DES MINORITÉS. By J. Fouques-Duparc. Paris: Dalloz, 1923, 370 pp.

A study of the minorities problems, and the manner in which they were dealt with in the Peace Treaty.

LA REDRESSEMENT DE LA POLITIQUE FRANÇAISE. By R. Pinon. Paris: Perrin, 1923.

A partisan review of the achievements of Poincaré.

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Many new documents are included.

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